

Daily Report

LAST ISSUE

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LAST ISSUE

China

**FBIS-CHI-96-139
Thursday
18 July 1996**

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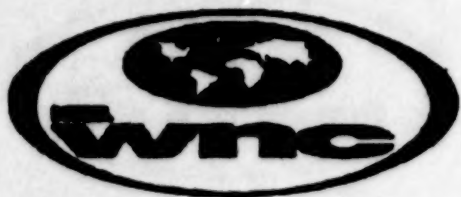
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Daily Report

China

FBIS-CHI-96-139

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General

PRC: Spokesman Says Beijing Calls For Lifting Embargo Against Libya

OW1807102196 Beijing XINHUA in English
1018 GMT 18 Jul 96

[FBIS Transcribed Text] Beijing, July 18 (XINHUA) — China today called for lifting sanctions against Libya.

Chinese Foreign Ministry spokesman Cui Tiankai told journalists today that China appreciates and supports efforts to peacefully resolve the Lockerbie issue, and hopes that the embargo on Libya will be lifted.

His remarks were made in Beijing today when asked to comment on the recent decision of the Organization of African Unity (OAU) and the Arab League to lift an embargo on Libya.

China has always disapproved of imposing, or stepping up and maintaining sanctions indefinitely against Libya, he said.

"We appreciate and support the efforts made by OAU and Arab League for the peaceful solution of the Lockerbie issue, and hope that the call will catch the attention of the international community," he added.

PRC: Spokesman Warns Japan Over Lighthouse on Disputed Islands

OW1807082696 Hong Kong AFP in English
0819 GMT 18 Jul 96

[FBIS Transcribed Text] Beijing, July 18 (AFP) — Beijing warned Tokyo Thursday that the construction of a lighthouse on a disputed island between the two nations was a serious violation of Chinese sovereignty.

"The building of facilities on the Diaoyu [Senkaku] Islands by some Japanese without authorization constitutes a serious encroachment on China's territorial sovereignty," said foreign ministry spokesman Cui Tiankai.

"We are gravely concerned about this, and we ask the Japanese Government to take effective measures immediately to remove the adverse affects arising from it," he added.

The Foreign Ministry in Tokyo confirmed Wednesday that several Japanese nationalists had constructed a lighthouse on one of the eight disputed Senkaku or Diaoyu islands in the East China Sea that are claimed by China, Taiwan and Japan.

PRC: Spokesman Expresses 'Grave Concern' Over Senkaku Incident

OW1807104296 Beijing XINHUA Domestic Service
in Chinese 0941 GMT 18 Jul 96

[By reporter Zou Chunyi (6760 2504 5030)]

[FBIS Translated Text] Beijing, 18 Jul (XINHUA) — Answering a question by a reporter at a news conference today, Foreign Ministry spokesman Cui Tiankai said the Chinese Government expresses "grave concern" [yan zhong guan qie 0917 6850 7070 0434] over the incident in which some right-wingers in Japan built a lighthouse on one of the Diaoyudao Qundao [Senkaku Shoto].

He said: Diaoyudao and other islands and islets have been China's inherent territory since ancient times. The presumptuous [shan zi 2343 5261] building of facilities by some Japanese on the islands constitutes a serious encroachment on China's territorial sovereignty, and we are deeply concerned about this. We ask that the Japanese Government immediately take effective measures to remove the adverse effects arising from the action.

PRC: Spokesman Says Beijing Supports Middle East Peace Process

OW1807092796 Beijing XINHUA in English
0923 GMT 18 Jul 96

[FBIS Transcribed Text] Beijing, July 18 (XINHUA) — Chinese Foreign Ministry spokesman Cui Tiankai said today that China will work for the early realization of an overall and just peace in the Middle East, together with the international community.

In response to a question on the issue at a routine press conference this afternoon in Beijing, Cui said that the Chinese government is deeply concerned with the difficulties currently confronting the Middle East peace process.

He expressed the conviction that to realize peace in the Middle East is a common aspiration of people of the region, which will not only serve the interests of the Middle East, but also benefit world peace and stability.

China has consistently held that parties concerned should seek to settle the Middle East issue through political dialogue, based on relevant UN resolutions, and the principle of "Peace for Land", Cui noted.

He expressed the hope that parties concerned would set the overall interest of the region above everything else, remove the disturbances, and overcome the difficulties, in a bid to push forward the peace process.

"China will, as always, work together with the international community for the early realization of a comprehensive and just peace in the Middle East," he said.

PRC: Beijing Signs 1995 International Natural Rubber Treaty

*OW1707234396 Beijing XINHUA in English
2249 GMT 17 Jul 96*

[FBIS Transcribed Text] United Nations, July 17 (XINHUA) — China signed today the 1995 International Natural Rubber Treaty, a treaty that is designed to stabilize the international market price of natural rubber through the practice of buffer storage.

It was signed by Ambassador Qin Huasun, the Chinese Permanent Representative to the United Nations, on behalf of the Chinese Government.

The 1995 International Natural Rubber Treaty is the third of its kind since the 1970s. The first one was born in 1979, and second in 1987. The second treaty, which expired on December 28, 1995, had 27 member countries, six of them were exporting countries and 21 are importing countries.

In signing the treaty, Ambassador Qin said to an accompanying U.N. legal officer that both the producers and consumers have benefited from the treaties, which stabilized the market price, the proceeds of the exporting countries and ensured uninterrupted supply of natural rubber.

He said China, as both a natural rubber production and consumption country, has always been active in the cooperation in the rubber field, and will continue such efforts in the future.

PRC: Developed Countries Urged To Reduce Greenhouse Emissions

*OW1707173196 Beijing XINHUA in English
1727 GMT 17 Jul 96*

[FBIS Transcribed Text] Geneva, July 17 (XINHUA) — China is urging developed countries to reduce greenhouse gas emissions and to assist developing countries technically and financially to improve their capacity to cope with climate changes.

Developed countries "bear unshirkable responsibilities" for the problems of climate change, said Chinese Vice Foreign Minister Li Zhaoxing.

He was addressing a two-day ministerial meeting on Wednesday of a session of the Conference of Parties to the UN 1992 Framework Convention on Climate Change. The July 8-19 session, the second of the conference, aims to further strengthen the convention

and review global progress in controlling greenhouse gases emissions.

"More than 70 percent of the present concentrations of anthropogenic greenhouse gases in the atmosphere originates in the developed countries," Li said.

He noted that over the past 200 years since the beginning of the Industrial Revolution, the developed countries' practice of unsustainable patterns of production and consumption, and their excessive and even destructive exploitation of natural resources, had led to heavy pollution and the continuous deterioration of the global environment.

Developed countries should face their historical responsibilities, Li said. They should, as written in the convention, work out and carry out measures to control their greenhouse gas emissions at the level of 1990 by the end of the century.

The Chinese vice foreign minister also stressed that timely and effective provision of funds and technology by developed countries would help developing countries fulfill commitments under the convention.

PRC: Beijing To Host World Postal Congress

*OW1807095996 Beijing XINHUA in English
0812 GMT 18 Jul 96*

[FBIS Transcribed Text] Beijing, July 18 (XINHUA) — China is to sponsor the 22nd Universal Postal Congress and the '99 World Philatelic Exhibition in Beijing in August 1999, Liu Pingyuan, vice-minister of posts and telecommunications, announced today.

The China Organizing Committee for the congress and exhibition was founded today in Beijing, with the Chinese President Jiang Zemin as honorary chairman, Vice-Premier Wu Bangguo as chairman, and the Minister of Posts and Telecommunications Wu Jichuan as executive vice-chairman.

Jiang Zemin wrote words of encouragement for the event, saying "Developing modern post to satisfy social needs."

Universal Postal is a special organization in charge of international postal business, under the leadership of the United Nations. With headquarters in Berne, Switzerland, it has 189 members. It holds a congress every five years, and the last one took place in Seoul in August 1994.

It is expected that 2,000 representatives from member states will attend the 22nd Universal Postal Congress, which will last for 24 days.

"This will be the last meeting to be held by the Universal Postal this century, and it will play an important role in guiding the world's postal affairs in the coming century," Liu said.

Liu disclosed that China will sponsor a comprehensive world philatelic exhibition during the meeting. The ten-day exhibition will be the largest of its kind in the world, as well as an important international cultural exchange event.

United States & Canada

PRC: Greenpeace Asks U.S. To Take Rubbish Back From Asia

OW1707135696 Beijing XINHUA in English
1232 GMT 17 Jul 96

[FBIS Transcribed Text] Hong Kong, July 17 (XINHUA) — Greenpeace has demanded the United States to take back its plastic wastes now rotting on board a cargo ship in Hong Kong harbor.

Greenpeace has uncovered a trail of the paper and plastic, indicating the wastes have come from Atlanta, host of the 1996 Olympics. The 200-ton shipment of wastes, including thousands of shopping bags from the giant Winn-Dixie supermarket chain, is part of a trend to use Asia as a dumping site for U.S. wastes disguised as "recycling".

"In Atlanta they want to break world records. Instead they are breaking environmental law," said Clement Lam Hau Keen of Greenpeace in Hong Kong.

The Winn-Dixie wastes were shipped from Los Angeles through Hong Kong to China. Officials in the port of Fuzhou in southeastern China refused to allow it to be unloaded because attempted import of wastes covered by China's national ban are illegal.

China is clamping down on waste trade since the country passed tough new environmental laws in support of the international Basel Convention, which restricts waste shipments from developed to developing countries. The U.S. has failed to become a party to the convention.

Winn-Dixie in Atlanta tried to dispose thousands of plastic bags returned by customers who were promised the plastic would be recycled. A shipment of the bags and other plastic products were brokered by ICP Industries, a New York waste trading company. The consignment of plastic was contaminated by household wastes including dirty soft drink cans, metal fittings and rotting food.

The ship is now in Hong Kong where it was also refused to unload. It has been languishing in the harbor since

July 2 with the crew surrounded by the stench of rotting wastes.

Greenpeace contacted Winn-Dixie headquarters and called on the company to take the trash back to the United States.

"We hoped Winn-Dixie, as a leading supermarket chain in the U.S., would be a responsible corporate citizen," Lam said. "Instead they are shirking their moral obligation to take back their rubbish."

PRC: Song Jian Meets Scientists, Engineers From U.S.

OW1807092896 Beijing XINHUA in English
0852 GMT 18 Jul 96

[FBIS Transcribed Text] Beijing, July 18 (XINHUA) — Song Jian, Chinese State Councillor and Minister in charge of the State Science and Technology Commission, met in Beijing this afternoon with a delegation from the Association of Chinese Scientists and Engineers—USA (ACSE).

Song discussed issues of common concern with the delegation, which is led by ACSE's vice-president Min Chen.

ACSE is an independent academic organization with about 800 members from nearly 20 US states. More than half of the ACSE's members are scientists, engineers and other specialists from the Chinese mainland who have worked in the US for five years or more.

The 15-member delegation arrived here on July 15 at the invitation of the Chinese Academy of Sciences and the State Bureau of Foreign Experts Affairs.

PRC: Beijing Expresses Concern Over Taiwan Freighter Case

OW1807102496 Beijing ZHONGGUO XINWEN SHE
in Chinese 1340 GMT 17 Jul 96

[FBIS Translated Text] Beijing, 17 Jul (ZXS) — According to the Association for Relations Across the Taiwan Straits (ARATS), which is following with great interest the case involving a Taiwan freighter, the "Fu Ming," the Chinese Embassy in Canada has asked the Canadians to inform them of the results of the investigation of the case as soon as possible.

Showing great concern over the case involving the freighter, ARATS has asked for information from a relevant Chinese Government department. The department concerned has indicated that the People's Republic of China has consistently attached importance to protecting all legal rights and interests of Taiwan compatriots and is following with great interest the case involving

the "Fu Ming" freighter. After the incident occurred, the Chinese Embassy in Canada immediately contacted the Canadian Foreign Ministry, expressing its concern and requesting any information on the results of the investigation of the case as soon as possible. Because the case is complicated, it is still being investigated and handled by the Canadian departments concerned.

Northeast Asia

PRC: Outgoing Mongolian Prime Minister Addresses Parliament

OW1807034696 Beijing XINHUA in English
0302 GMT 18 Jul 96

[FBIS Transcribed Text] Ulan Bator, July 17 (XINHUA) — The outgoing Mongolian prime minister said his cabinet has bailed the country out of an economic tailspin during its tenure of office, local press reported today.

The newspaper ARDYN ERH (People's Power) quoted Puntsagiyn Jasray as telling Tuesday's [16 July] parliamentary session that when his cabinet was sworn in four years ago, the gross domestic product dropped 9.5 percent over the 1991 level which again was a 9.2 percent plunge.

But GDP increased 2.3 percent and 6.3 percent respectively in 1994 and 1995, paving the way for an expected 5 percent increase this year, said the prime minister.

He said that thanks to trade surpluses in the past two years, the country boasts a foreign exchange reserve of 57 million U.S. dollars as of July 1 this year.

Jasray was addressing the last session of the current parliament.

A new parliament, formed after the June 30 general elections, will convene on Thursday to approve a new cabinet and its platform for the next four years.

PRC: Arbitration Agreement Signed With Mongolia

OW1707155396 Beijing XINHUA in English
1516 GMT 17 Jul 96

[FBIS Transcribed Text] Ulanbataar, July 17 (XINHUA) — China and Mongolia have signed an arbitration agreement aimed at solving economic and trade disputes between the two countries.

Under the agreement, all disputes over contracts signed by both sides, which cannot be solved by friendly consultation, will be arbitrated on under agreements signed by Chinese and Mongolian enterprises.

The agreement was signed on Wednesday by the China Arbitration Council for International Trade and

Economy and the Mongolia Arbitration House for the Association of Industry and Commerce.

In recent years, with the expansion of economic and trade relations and strengthening of economic and technological cooperation between the two countries, economic disputes between Chinese and Mongolian enterprises have been increasing.

Xu Dayou, Vice Chairman of the China Council for the Promotion of International Trade, who headed a delegation to Mongolia Tuesday for a four-day visit, told reporters that the new arbitration agreement was necessary and important for the improvement of bilateral economic and trade relations.

He said the agreement would help protect the proper rights of the two countries' enterprises and appropriately solve their trade disputes.

PRC: Breaches of Regulations Blamed for Fires in Mongolia

OW1707233296 Beijing XINHUA in English
1746 GMT 17 Jul 96

[FBIS Transcribed Text] Ulaanbaatar, July 16 (XINHUA) — A big increase in the number of fires in Mongolia's capital, Ulan Bator, is blamed mainly on people breaching fire regulations.

In the first half of this year there were 430 fires, which caused seven deaths and injured six, a local newspaper reported today.

The number of disastrous fires increased by 123 and the casualties almost doubled over the same period of last year, the People's Rights said.

The fires caused a loss of 98.7 million tugrik (about 200,000 U.S. dollars), more than double that in the same period last year.

Pointing out the cause, the paper said up to 8,400 regulation-breaking cases were reported in the capital in the first half of this year, and 392 people were fined or penalized.

Children playing with fire also caused a number of blazes.

PRC: RENMIN RIBAO: Jiang Meets DPRK Vice Premier Kim Yun-hyok

HK1807074096 Beijing RENMIN RIBAO in Chinese
11 Jul 96 p 1

[Dispatch by staff reporter Liao Xianwang (1675 0341 2489): "Jiang Zemin Meets With Kim Yun-hyok, Stressing That The Chinese Government Attaches Great Im-

portance to Consolidating and Developing Sino-Korean Friendship")

[PTS Translated Text for FBIS] Beijing, 10 Jul (REN-MIN RIBAO)— This afternoon, President Jiang Zemin had a cordial meeting with visiting DPRK Vice Premier Kim Yun-hyok at Zhongnanhai.

Jiang Zemin welcomed the delegation led by Kim Yun-hyok, which is taking part in the activities marking the 35th anniversary of the signing of the "Sino-Korean Treaty of Friendship, Cooperation and Mutual Assistance." He stressed: This treaty has reflected the friendship between the peoples of the two countries. Our two countries have sent delegations to visit one other, and jointly held commemorating activities. This has particularly demonstrated that our two parties and governments attach great importance to Sino-Korean friendship. Our two countries are close neighbors. The Chinese party and government have always maintained that it is very important to consolidate and develop Sino-Korean friendship. We are willing to continue to make unremitting efforts in this regard.

Kim Yun-hyok first conveyed Comrade Kim Chong-il's regards and best wishes to Jiang Zemin. He agreed with the Chinese side's comments on the treaty. He stated: "The Sino-Korean Treaty of Friendship, Cooperation and Mutual Assistance" signed 35 years ago has fully demonstrated the aspirations of our two peoples for friendship and cooperation. It is a historic document. The treaty has played an important role in developing Sino-Korean relations and safeguarding peace and stability.

Kim Yun-hyok stressed: Korean-Chinese relations have undergone historic tests, and have achieved new development. The consistent stand of the Korean party and government is: To do our utmost to strengthen Korean-Chinese friendship. This was also the aspiration of Chairman Kim Il-song during his lifetime. Kim Yun-hyok expressed his gratitude to China for helping Korea overcome temporary economic difficulties.

Jiang Zemin asked Kim Yun-hyok to convey his regards to Comrade Kim Chong-il, and briefed his guests on socialist theory with Chinese characteristics [as published] and the establishment of the market economy.

Those present at the meeting included Vice Foreign Minister Wang Yingfan, Li Chengren, deputy head of the CPC International Liaison Department, Korean Ambassador to China Chu Chang-chun, and others.

PRC: PRC Aims at Reducing U.S. Influence Over DPRK

OW1807134196 Tokyo MAINICHI SHIMBUN
in Japanese 18 Jul 96 Morning Edition p 7

[By reporter Koji Uemura]

[FBIS Translated Text] Beijing 17, Jul — The PRC has two aims in promising long-term aid to the DPRK (North Korea). One of these is to repel U.S. intentions to increase its influence over North Korea. The other is to help maintain North Korea's stability. The PRC concluded its agreement with North Korea in secrecy probably because it either does not want to show the United States what it has up its sleeve or wants to help the DPRK from losing its face.

The PRC apparently had decided late last year to strengthen its influence over North Korea. Concerned sources have revealed that at the time extensive discussions were conducted at the government level to confirm this policy.

Recent developments in the international situation are in the backdrop of the Chinese decision. According to analysis by a research institution on Chinese affairs, the United States considers the PRC as the major rival in the post-Cold War era and the Korean peninsula as one of the major strategic locations. Consequently, from a long-term viewpoint, the United States has gradually taken stronger measures to deal with the Korean peninsula situation, promoting energy and food aid programs.

For the PRC, it would seriously jeopardize its security if the DPRK, a Chinese ally, were to fall under U.S. dominance. To respond to this situation, it has become necessary for the PRC to implement long-term measures. At the same time, if confusion should befall the DPRK, the PRC, which shares borders with the DPRK, could face a serious crisis. There are already reports that some refugees have fled into the PRC from the DPRK.

PRC: PRC Secretly Promises To Supply Food, Fuel to DPRK

OW1807125396 Tokyo MAINICHI SHIMBUN
in Japanese 18 Jul 96 Morning Edition p 1

[Article by Tetsuo Nakajima]

[FBIS Translated Text] Seoul, 17 Jul — A diplomatic source in Seoul disclosed on 17 July that recently, China and the DPRK (North Korea) concluded a secret agreement on China's assistance to the DPRK. Specifically, over the next five years, China will annually provide North Korea with 50,000 tons of grain, 1.3 million tons

of oil, and 2.5 million tons of coke on an extremely generous condition that "one half of them be provided as a grant and the other half be offered as a loan at one third of the international prices." It is believed that in line with the DPRK's bid to firmly maintain Kim Chong-il's regime, China has begun extending full support to it to prevent collapse of the DPRK that suffers from the critical food and economic crisis.

The China-DPRK relationship has sharply deteriorated since China and the ROK established the diplomatic relationship in August 1992. Their relations have continued worsening after Secretary Kim Chong-il virtually became the supreme power holder following President Kim Il-song's death in July 1994.

However, China-DPRK traditional friendly ties have rapidly improved lately. For example, a DPRK Government delegation headed by Vice Premier Hong Songnam visited China at the end of last May, and met with Premier Li Peng and other Chinese Government officials. In July, a Chinese delegation headed by Luo Guan, state counselor and secretary general of the State Council General Office, and DPRK delegation headed by Vice Premier Kim Yun-hyok exchanged visits to each other's capital in commemoration of the 35th anniversary of conclusion of the bilateral friendly and mutual cooperation treaty. It is believed that they took advantage of those visits, which resulted in the conclusion of the secret agreement on support.

As for the food support for North Korea, China pledged and announced 20,000 tons of food assistance during Hong's May visit to China, and it made public 100,000 tons of additional aid during Luo's visit to the DPRK in July. It remains uncertain whether these assistance plans are included in 250,000 tons of food in a grant pledged under the secret accord or whether it is additional aid.

Reportedly, the condition of the secret agreement says: "One half of the goods in loan (one forth of the whole) should be paid in foreign currency. If the DPRK cannot pay for them, China will not provide the equivalent volume of goods."

According to the ROK Government's data, the DPRK suffers from over two million tons of grain shortage every year in the 1990s. Although it is not sufficient to completely solve its food crisis, 500,000 tons of grain supply every year is effective to tide over the pressing crisis. Therefore, the scale of food aid seems to be sufficient for China to maintain its influence on the DPRK.

PRC: Jiang Zemin Meets ROK's CHUNGANG ILBO President

*OW1707090296 Beijing XINHUA in English
0850 GMT 17 Jul 96*

[FBIS Transcribed Text] Beijing, July 17 (XINHUA) — Chinese President Jiang Zemin met with Hong Sok-hung, president and publisher of CHUNGANG ILBO of the Republic of Korea, and his party, in the Great Hall of the People here today.

Jiang had a cordial conversation with the ROK guests and answered their questions.

Present at the meeting was Guo Chaoren, president of the XINHUA News Agency which hosts the visit of Hong Sok-hung and his party.

PRC: Li Lanqing Meets ROK Visitors

*OW1607112896 Beijing XINHUA in English
1102 GMT 16 Jul 96*

[FBIS Transcribed Text] Beijing, July 16 (XINHUA) — Chinese Vice-Premier Li Lanqing expressed here today his satisfaction with the smooth and rapid development of ties between China and the Republic of Korea (ROK) since the two countries established diplomatic relations four years ago.

Such development trend would be maintained in the future, Li said during his meeting with a delegation from the ROK, which consists of many former high-ranking officials of the ROK government.

Li noted that the past four years has witnessed great achievement of the Sino-ROK cooperation in various fields, and the two countries should spare no efforts to further the bilateral ties, especially in economic field.

The delegation, with No Sin-yong and Yu Yang-su, former ROK prime minister and minister of transportation and energy resources respectively, as consultants, is headed by Chong Ki-choe, president of the Korean Institute of International Studies. The group is here as guest of China Association for International Friendly Contact.

PRC: Ambassador to ROK: PRC Supports Unification Through Talks

*SK1807104696 Seoul YONHAP in English
1038 GMT 18 Jul 96*

[FBIS Transcribed Text] Pyongyang, July 18 (YONHAP) — China would do all it can to bring about durable peace on the Korean peninsula since peace in this part of the world contributes to peace in Asia and the world, Chinese Ambassador to Korea Zhang Tingyan said Thursday.

Speaking at the 3rd Asia Development Forum held at Phoenix Park Hotel near here, Zhang said his country supports unification of the Korean peninsula achieved through dialogue.

He said the area of mutual understanding and trust between China and South Korea has rapidly been expanding since diplomatic normalization between the two countries in 1992.

"In the sector of economy and trade, our two countries have achieved in mere four years what must have taken 10 to 20 years in other countries," Ambassador Zhang said.

As to China's relations with North Korea, the envoy said China traditionally maintains amicable ties with North Korea.

"It was under the friendly relations that my country has recently provided tens of thousand tons of grains to North Korea in consideration of the North's food situation," he said, adding that such a donation is something that happens normally between countries with normal relations.

Turning to his country's economic development, Zhang said China's economy has grown at the annual rate of 9 percent since 1979 when reform and open-door programs were formally launched in China.

"In 1995, our GNP totaled 695.2 billion dollars, a four-fold rise over 1980. Our external trade volume, too, increased to 280 billion dollars to make China the 11th largest trading country in the world," he said.

He also said China's leadership has switched from the second generation led by Deng Xiaoping to the third generation centered on President Jiang Zemin.

Southeast Asia & Pacific

PRC: Yunnan Province Attracts More Foreign Investment

OW1707111396 Beijing XINHUA in English
1046 GMT 17 Jul 96

[FBIS Transcribed Text] Bangkok, July 17 (XINHUA) — A senior official of China's Yunnan province said here today that thanks to its rich resources in hydropower, minerals, tourism and improved infrastructure, Yunnan is becoming ever more attractive to foreign investors.

Speaking at the end of the 3-day second greater Mekong subregion business workshop, Du Kaitan, deputy secretary general of the Yunnan provincial government, said the province has now 1,383 overseas-funded enterprises with a total contracted investment of 3.46 billion US

dollars, including 1.6 billion dollars of input from overseas.

In 1995 alone, 23 projects involving more than 10 million dollars of investment were approved.

The provincial government gives priority to projects in infrastructure such as roads, bridges, power stations, railways, docks and land port facilities; mineral exploitation and raw material production; utilization of non-ferrous metals and phosphates; agro-businesses; tourism development; and high technology.

Since 1990, Yunnan's trade with countries of the greater Mekong subregion, such as Myanmar [Burma] and Thailand, has witnessed rapid growth. Last year, Yunnan's trade with Myanmar and Thailand reached 490 million and 30 million dollars respectively, a substantial growth over 1994, he said.

The province has air links with Thailand, Myanmar, Laos, Singapore, Malaysia and Hong Kong; a rail link with Vietnam; and a waterway — the Lancang river, which is the upper reach of the Mekong river, connects Yunnan with Myanmar, Laos, Thailand, Cambodia and Vietnam. The river offers enormous potentials for navigation, irrigation and power generation.

In order to further promote relations of the province, and those of other southwestern Chinese provinces, with Southeast Asian countries, the province is hosting the '96 Kunming fair on August 8-15.

Du expressed confidence that with economic development in the greater Mekong subregion, economic relations among Mekong revering countries will further develop.

PRC: Brunei Donates \$50,000 to Earthquake-Stricken Yunnan

OW1707111296 Beijing XINHUA in English
1055 GMT 17 Jul 96

[FBIS Transcribed Text] Beijing, July 17 (XINHUA) — The Brunei government donated 50,000 US dollars today to southwestern China's Yunnan Province, which suffered severe and frequent earthquakes at the beginning of the year, the Ministry of Civil Affairs said today.

An earthquake measuring 7.0 on the Richter scale struck Lijiang in Yunnan on February 3, with numerous aftershocks continuing through the next day.

A ministry official told XINHUA that by February 5, the earthquakes had claimed the lives of 243 people, injured more than 14,000, and destroyed 410,000 houses.

An earthquake measuring 5.2 on the Richter Scale hit Lijiang again on July 2.

PRC: Spokesman Comments on Relations With Cambodia

*OW1807095296 Hong Kong AFP in English
0923 GMT 18 Jul 96*

[FBIS Transcribed Text] Beijing, July 18 (AFP) — Cambodian co-premier Hun Sen arrived in Beijing Thursday for a five day official visit during which he is expected to sign an important agreement between his party and China's Communist Party.

The Diaoyutai state guest house confirmed "the Cambodian delegation has arrived," while the Cambodian Embassy said Hun Sen was to meet President Jiang Zemin and Premier Li Peng during his two days in Beijing and sign a clutch of inter-governmental investment and trade accords.

Hun Sen is also leader of the formerly communist Cambodian People's Party (CPP).

"The CPP and the Communist Party of China will sign an important and historical relationship agreement and it will be signed by me," Hun Sen told reporters Wednesday in Phnom Penh.

China's ties with Cambodia in recent years have been somewhat complicated, and Hun Sen predicted the accord would "end completely any uncertainty in the past relationship between the two countries."

Throughout the Cold War period, China was allied with Cambodian King Norodom Sihanouk, his royalist political party, FUNCINPEC and its then-ally, the Khmer Rouge.

Although the CPP is now FUNCINPEC's major coalition partner, the two were bitter enemies during Cambodia's civil war in the 1980s.

Even though China was a major player in the signing of the 1991 Paris Peace Accords which technically ended Cambodia's long-running civil war, some still question whether its support for the Khmer Rouge has really ended. There are also questions over whether Beijing's invitation for Hun Sen to meet Jiang and Li indicates a shift in its support away from FUNCINPEC, locked in an intense bickering match with the CPP since March. The failure of a Sino-Cambodian joint-venture cement factory, which erupted Wednesday into public allegations of financial fraud is also likely to cloud the visit.

The fraud allegations against the Chinese Government-owned Guangdong Engineering Industries were levelled by the firm's former Cambodian partner, the Angkor Trancominex Company. They followed a July 11 warn-

ing from the Chinese Government that unless the decision to remove Guangdong Engineering from the project was reconsidered, bilateral relations would be damaged.

In a statement released Wednesday, Angkor Trancominex blamed Guangdong Engineering for the failure and alleged serious financial irregularities on their part.

But Foreign Ministry spokesman Cui Tiankai, brushed the sticky problem aside to dwell on more positive matters.

"I believe it is the common aspiration of the two governments ... to further enhance mutual understanding and trade and development."

"As for some differences in economic and trade programmes I believe these differences can be settled through negotiations," Cui said, adding that he was not aware of the particulars of the cement plant dispute.

Hun Sen, who arrived in China on a special flight, will visit the central province of Hunan from Saturday [20 July], before proceeding Sunday to Shenzhen, bordering Hong Kong.

He will return to Phnom Penh on Monday, the embassy said.

PRC: Cambodia's Second Prime Minister Comments on Planned Visit

*OW1807034596 Beijing XINHUA in English
0248 GMT 18 Jul 96*

[FBIS Transcribed Text] Phnom Penh, July 18 (XINHUA) — Cambodia's Second Prime Minister Hun Sen said here Wednesday [17 July] his coming visit to China is aimed at seeking long-term bilateral cooperation.

"The visit is to seek brotherly long-term cooperation between Cambodia and China...and to conclude the relations in a certain period in the past," he said after returning from a visit to South Korea.

During his China visit, which is scheduled to start Thursday, Hun Sen is expected to meet with Chinese President Jiang Zemin and hold talks with Premier Li Peng.

The Cambodian side has drafted some agreements, including a trade agreement and an agreement on investment protection, to be signed in Beijing, said the prime minister.

He said, "We are also ready to sign a joint statement."

"On behalf of the Cambodian People's Party, I will sign a historic agreement with the Chinese Communist Party," he added.

PRC: Qian Qichen Arrives in Fiji

OW1807094796 Beijing XINHUA in English
0720 GMT 18 Jul 96

[FBIS Transcribed Text] Suva, FIJI, July 18 (XINHUA) — Chinese Vice Premier and Foreign Minister Qian Qichen arrived here today for a two-day official visit to Fiji at the invitation of the Fijian government.

Fiji is the second leg of Qian's week-long three-nation South Pacific tour, which has already taken him to Papua New Guinea.

Qian was met at the airport by Fijian Foreign Minister Filipe Bole and other officials.

During a brief conversation at the airport, both Qian and Bole spoke positively of the development of bilateral relations between the two countries in recent years.

Describing Qian's visit as very important, Bole said he was looking forward to holding talks with his Chinese counterpart on bilateral issues and matters of common concern.

Qian's visit will give a fresh impetus to the development of bilateral relations, Bole said.

During his stay in Fiji, the Chinese foreign minister will meet Fijian Prime Minister Sitiveni Rabuka and hold talks with Bole.

Qian will also meet Jeremia Tabai, secretary general of the South Pacific Forum, Fijian Senate President Josefa Iloilo and Apenisa Kurisaqila, speaker of the House of Representatives.

China and Fiji established diplomatic relations on November 5, 1975.

West Europe

PRC: Spokesman Reports Dalai's Visit May Hurt Cooperation on Hong Kong

OW1807091496 Hong Kong AFP in English
0858 GMT 18 Jul 96

[FBIS Transcribed Text] Beijing, July 18 (AFP) — A Chinese government spokesman warned that Sino-British cooperation on Hong Kong would not be exempt from damage to relations caused by the Dalai Lama's visit to London.

When asked how the visit would affect cooperation on Hong Kong, Foreign Ministry spokesman Cui Tiankai said: "The actions by the British side will adversely affect Sino-British relations, and as time passes my remarks will be proved."

Tibet's spiritual leader in exile, the Dalai Lama, met with British Foreign Secretary Malcolm Rifkind in Lon-

don Wednesday [17 July] after addressing the parliamentary inter-party group on Tibet at the House of Commons a day earlier.

The Dalai Lama's week-long visit to Britain went through despite repeated protests from Beijing.

PRC: Editorial Denounces Dalai's Visit to Britain

HK1807093096 Hong Kong TA KUNG PAO
in Chinese 18 Jul 96 p A2

[Editorial: "No Foreign Intervention in Tibet Issue Is Allowed"]

[PTS Translated Text for FBIS] When learning 10 days ago that the British Parliament had granted the Dalai Lama's request for a "visit," the Chinese Foreign Ministry spokesman expressed strong dissatisfaction, pointing out that no foreign intervention in China's internal affairs is allowed.

Non-intervention in each other's internal affairs is a norm governing state-to-state relations. Britain, as a permanent member of the UN Security Council, should take the lead in observing the UN Charter. After the Chinese Foreign Ministry took exception to the British Parliament's consent to the so-called "visit," the British authorities should have changed their minds to avoid an unpleasant incident.

But instead of doing so, the British authorities allowed the House of Commons Tibet Subgroup to extend an invitation to the Dalai Lama, treating him as the "head of a foreign government," referring to him as an "outstanding spiritual leader," allowing him to deliver a speech in the House of Commons, and making arrangements for him to meet with the Queen Mother. The British foreign secretary also received him. Some people said Tibetans should be "allowed more say," while others asserted that "to develop British-Chinese relations it is necessary to take the Tibet issue seriously." Britons' words and deeds really give us much food for thought.

The Dalai Lama is a political exile, who has engaged in splitting the motherland and disrupting nationality unity abroad for a long time under the cloak of religion. Since going into exile in 1959, he has totally abandoned his professed patriotic stand and has carried out many activities aimed at splitting the motherland. For example, he openly asserted that "Tibet is an independent country" and that Tibet "is the biggest occupied state in the present world." He set up the "Tibetan government-in-exile" and appointed himself as the "head of state." He reorganized rebellious armed forces and has constantly instigated and hatched rebellions in Tibet. He has traveled around the world to lobby for support; attacked the

central policy toward Tibet by disgusting means including starting rumors and spreading slanders; disrupted established religious rites and rules; declared without authorization the boy appointed by him to be the "reincarnation of the Panchen Lama," interfering with the normal procedures and thus paving the way for splitting the motherland and plunging Tibet into chaos. Over a long period, the central government has opened wide to the Dalai Lama the door for negotiations and has made many efforts to urge him and his followers to abandon their separatist stand and return to the motherland, but rather than coming round, the Dalai Lama has gone further and further along the evil separatist path.

Is the British Government not clear what it implies and what consequences it will entail to provide such a person as the Dalai Lama with a platform and treat him as "head of government"? The Chinese Foreign Ministry spokesman pointed out sharply the day before yesterday that the move was designed to support and encourage the Dalai Lama to carry out activities splitting China on British soil. This not only went against the norms governing international relations, but also hurt the feelings of the Chinese people, to the detriment of Sino-British relations.

Over the last few years, Britain has time and again provided a platform and place in the media for the Dalai Lama to carry out activities to split the motherland. In addition, some people have helped fan the flames, making the stormy seas stormier. Two years ago, in its white paper on British-Chinese relations, the Commons Foreign Affairs Select Committee made carping comments on the Tibet issue over many pages. It distorted Tibetan history, accused China of trampling on Tibetan people's human rights, said the "world cannot turn a blind eye to the Tibet issue," and suggested that the British Government "hold a dialogue with China on human rights abuses in Tibet" and that "discussions on Tibetan people's self-determination right be held." Such brazen support for Tibetan separatists made Chinese people feel indignant.

Over 700 years ago, Tibet was formally included in the territory of the Yuan Dynasty, becoming an inseparable part of China. Despite changes of dynasty and central government, Tibet has always been under the jurisdiction of the central government. Nobody can alter this historical fact.

The Chinese people will not forget that British colonialists have many times plotted to achieve Tibetan indepen-

dence, trying to alter Tibetan history. Within 15 years after occupying Hong Kong, they launched two wars in an attempt to include Tibet in their sphere of influence. After being defeated, they changed their tactics by instigating the Tibetan authorities to declare independence. This scheme also proved unsuccessful. Afterward, they tried to change Chinese sovereignty over Tibet into so-called "suzerainty" so that Tibet would break away from China in the name of "self-government." The fact that Britain is spreading fallacies on the Tibet issue and fully supports the Dalai Lama in his separatist attempts can only suggest that some Britons have not given up their ambition to annex Tibet.

In Britain there have always been some people who have attacked the Chinese Government for "trampling on Tibetan people's human rights." Taking advantage of the Dalai Lama's "visit," these people again made an fuss about the Tibet issue. British Foreign Secretary Rifkind even said to the Dalai Lama: "Britain is also concerned about human rights violations in Tibet." Those who have acquired a knowledge of Tibetan history clearly understand that the Dalai Lama is stained with Tibetan people's blood and tears and that he has an evil record of violating human rights. The Tibet Archives preserve a letter written by the Dalai Lama's government to a Tibetan serf owner. The letter makes one bristle with anger. The following is a quotation from it: "To recite scriptures in celebration of the Dalai Lama's birthday, the staff of the Xiami compound [xia mi yuan (0007 1378 7108)] are required to recite the Anger 15 scriptures [fen nu shi wu shi hui zhe fa 1825 1829 0577 0063 2457 0932 6686 3127]. To fulfill the task, the staff shall fast, and a set of fresh intestines, two heads, blood of different animals, and a whole sheet of skin are urgently needed." Human organs were often presented in religious activities in honor of the Dalai Lama in Tibet in the past. We should like to ask: Is it not ironic to allow such a person to comment on human rights? Tibetan people's basic rights and freedoms were not protected until the democratic reform. This is obvious to all.

Some Britons attack the human rights situation in Tibet as if they were concerned about and wanted to protect Tibetan people's human rights, but under cover of this they actually interfere in China's internal affairs and support the Dalai Lama and his followers in splitting the motherland.

Political & Social

**PRC: Army Paper Reviews Jiang's 1 Jul Speech/
Part 3**

*HK1507064796 Beijing JIEFANGJUN BAO
in Chinese 1 Jul 96 p 1*

[Commentator's article: "Focus on Doing a Good Job of Developing Leading Bodies—Third Talk on Studying, Implementing General Secretary Jiang's Important Speech Marking 1 July"]

[PTS Translated Text for FBIS] In the important speech General Secretary Jiang Zemin delivered at the forum marking the 75th anniversary of the CPC's founding, he said: "Building leading bodies is the key to building the entire contingent of cadres." This assertion has explicitly pointed out the key to building a high-quality contingent of cadres, which we must grasp profoundly, implement earnestly, and exert efforts to develop leading bodies at various levels in strengthening the development of the contingent of cadres.

Looking back on the splendid feats of our party over the past 75 years and the course of our army's struggle over half a century or so, we can have a clear picture that our party's development and success as well as our army's growth in strength have been inseparable from constantly strengthening the development of leading bodies at all levels. Leading bodies are combat headquarters and play the role of a pivot in national and army construction. Whether or not the party basic line, major policies, and decisions and instructions of the Central Committee and the Central Military Commission [CMC] will be implemented in a comprehensive way primarily depends on the work of leading bodies at various levels. A popular saying goes: "The movement of the dragon's head determines the movement of its tail"; only when a leading body is up to the mark will it be possible to bring up a contingent of cadres and units that are up the mark. Another popular saying goes: "If the upper beam is not straight, the lower ones will tip; if the middle beam is not straight, the whole roof will collapse." As a negative example, the latter saying shows what great harm will be done to the overall development of the contingent of cadres and units should a poor job be done of developing leading bodies. Many facts in real life have repeatedly proven that point. That being the case, we must firmly regard developing leading bodies as the key to developing the entire contingent of cadres in accordance with General Secretary Jiang's requirements. The party must administer the party itself; primarily, it must do a good job of administering leading bodies and leading cadres. To be strict in running the party and the army, it is primar-

ily necessary to do a good job of administering leading bodies and leading cadres.

In what direction must we exert our efforts while focusing on doing a good job of developing leading bodies? General Secretary Jiang has reiterated the basic requirements on developing leading bodies set forth at the Fourth Plenary Session of the 14th Central Committee and stated explicitly: "It is imperative to develop leading bodies at all levels into staunch leading collectives that will firmly implement the party basic line, serve the people heart and soul, and possess the ability in leading modernization." Under the guidance of Comrade Deng Xiaoping's theory of building socialism with Chinese characteristics and his thinking on building the army during the new period since the CPC 14th National Congress, tremendous progress has been made in the overall development of leading bodies at all levels, and particularly ideological and political development. Measured by the basic requirements General Secretary Jiang has stressed, the general condition of the whole army in developing leading bodies at all levels is fine. But when we look at specific things, the conditions of some leading bodies and leading cadres differ in thousands of ways. A small number of leading bodies have not grasped their own development firmly; some of them have done a poor job in adhering to democratic centralism; others have not been strict in practicing self-discipline; and some problems that should not have happened cropped up, resulting in losses to the building of the army that could have been avoided. True, we must see our accomplishments, but more important, we must do work with our eyes set on the weak links. In our army, every leading body and every individual of its members must constantly examine the condition of its own development by the yardstick of the party's basic requirements on developing the leading body to find out whether or not one's awareness is deep enough to grasp the party's basic theory and implement the party's basic line; whether or not one is able to maintain high-level unanimity with the Central Committee and the CMC at any time under whatever circumstances; whether or not one has established a correct world outlook, outlook on life, and values; whether or not one has adhered to the basic purport of serving the people heart and soul; whether or not one has studied hard and mastered modern science and culture, as well as knowledge of modern warfare, and possesses the ability to lead the overall development of the unit. Only by such constant examining and urging oneself on will it be possible to overcome blindness, strengthen consciousness, set up high criteria, and keep lifting the development of leading bodies to a new level.

Strengthening the development of leading bodies at all levels is a major issue of strategic significance; it is imperative to carry it through to the end and to earnestly do a good job of it. It now is imperative to exert efforts to do a good job of implementation according to the "Opinions of General Political Department on Strengthening Education and Administration of Mid-Level and Senior Cadres" relayed by the CMC with written instructions, point by point. The primary duty of leading bodies and leading cadres is to emphasize politics. Only by emphasizing politics, and by always maintaining political stability and firmness, will it be possible to resolutely implement the party basic line, firmly take the road of building socialism with Chinese characteristics, guarantee the party's absolute leadership over the army, consciously safeguard the authority of the third-generation leading collective with Comrade Jiang Zemin as its core, and firmly subject to the command of the Central Committee and the CMC. Only by emphasizing politics, and by maintaining ideological and moral purity, will it be possible to consciously practice the purpose of serving the people heart and soul, regard bearing hardship as an honor and dedication as one's duty, and be a loyal soldier of the party and a faithful public servant of the people, while consciously resisting the corrosive influence of money worship, hedonism, and ultra-individualism. Only by emphasizing politics will it be able to study politics, military affairs, economics, modern science, and technology to keep strengthening the ability to lead the army's modernization. To boil this down to one sentence, only by emphasizing politics will it be possible to genuinely implement the party's basic requirements on developing leading bodies.

General Secretary Jiang said: "To do a good job of developing leading bodies, the crux lies in selecting 'leaders.'" "Our Army's practice in developing leading bodies has fully proven the fact that grasping the 'leader'—the chief officer—is really 'the most important of all things important' in strengthening the development of the contingent of cadres." Based on the principle of democratic centralism and the requirement for the army to be centralized and unified, the chief officer bears chief responsibility for all the unit's work and takes leadership of the body; this being the case, he must be well selected, well brought up, and well educated.

**PRC: Army Paper Reviews Jiang's 1 July Speech/
Part 4**

HK1507065396 Beijing JIEFANGJUN BAO
in Chinese 3 Jul 96 p 1

[Commentator's article: "Earnestly Grasp the Two Links of Study and Practice—Fourth Talk on Studying, Im-

plementing General Secretary Jiang's Important Speech Marking 1 July"]

[PTS Translated Text for FBIS] To develop a high-quality contingent of cadres in accordance with the five basic requirements, it is imperative to observe the spirit of General Secretary Jiang Zemin's speech and to earnestly do a good job of dealing with cadres' study and improvement through practice.

Study and practice are the basic means for our party and Army to develop cadres and improve their qualities. According to the basic principle of the Marxist theory of knowledge, men are not born with knowledge, which is actually acquired through study and practice. A cadre's growth and progress are possible only if he is armed with scientific theory that is substantiated by professional knowledge. Viewing the historical experiences of our party and our Army, whenever study and practice were grasped firmly, cadres showed quick growth and progress of cadres; consequently, our cause thrived. The famous Yanan rectification is an outstanding example of this. It was during that great rectification campaign that comrades of the whole party systematically studied Marxism-Leninism-Mao Zedong Thought, while actively plunging themselves in the practice of the surging national liberation war, which promoted the rapid growth and maturity of a large number of backbone leaders for running the party, the Army, and the state; this led to a nationwide victory in a relatively very short time. Viewing the actual conditions of our contingent of cadres, the tasks for study and practice are pressing. Through study and practice in recent years, our mass cadres, and particularly leading cadres, have gradually deepened their understanding of the law that governs building socialism with Chinese characteristics while also improving their ability to lead reform and construction. But the gap is still wide because of the great historic responsibility on their shoulders, the ever-changing new situation in reform and opening, and the fast developing modern science and technology; this means they must urgently make greater efforts in study and practice.

In his important speech marking 1 July, General Secretary Jiang stated: "Adhering to linking theory with practice is an important political issue. With a satisfactory solution to this issue, we will possess greater awareness in carrying out the party line, principles, and policies in a more comprehensive way, and we will be able to do away with the interference of various erroneous tendencies and avoid or cut back onesidedness, absolutes, and wavering in our work." In the case of party and army cadres, and particularly leading cadres, the question of whether reform and construction will develop smoothly depends directly on whether they study scientific the-

ory and modern scientific knowledge, what effects come from their study, whether they apply what they have studied to their work, and whether they are able to link study to practice closely in transforming their subjective world and the objective world, thus correctly understanding and resolving various contradictions surfacing in reform and construction. This really is an important political issue. We must view the issue from such a perspective and keep strengthening our awareness and sense of pressure for study and practice.

To do a good job of grasping study and practice, it is imperative to acquire a spirit of working hard and probing in depth. Marxist theory is based on extensive knowledge and profound scholarship; it is by no means easy to genuinely master its quintessence, while mastering and using it proficiently. It calls for equally down-to-earth efforts to acquire knowledge in other fields indispensable to leading cadres such as history, economics, science and technology, management, and the law. Strengthening one's ability through practice cannot be fulfilled by sitting indoors; one must be mentally prepared for working hard and perseveringly. One must go to the forefront of reform and construction, the grass roots, places where conditions are arduous and difficult, and places where the party and the masses have the greatest need, working with no peace of mind day and night as General Secretary Jiang has advocated. The idea of fearing hardships, seeking ease and comfort, the style of being unstable and fickle-minded, putting away the cup after taking a tiny sip, and the practice of going after formalism, doing things superficially without seeking substantial results—all this does not help increase one's efficiency in any way. It is imperative to overcome earnestly such phenomena as scorning theory, weak awareness in studying intensively, the lack of an atmosphere for study, and doing a poor job of linking to practice, while really working assiduously, probing in depth, being able to sit down and study intensively, and improving one's abilities through practice in a down-to-earth manner, thereby reaping a bumper harvest in transforming both the subjective and the objective world.

To do a good job of both study and practice, perseverance is imperative. Useful knowledge of various fields as a reflection of objective realities is infinite; at the same time, reform, opening up, and modernization of the nation and the army have kept developing. This has determined that our study and practice will inevitably be a progress from the shallow to the deep, from a low to a high level. Especially when we are living in an era of great social changes and an information explosion, our cadres must keep extending the breadth and depth of study and practice, while allowing no place for complacency and sluggishness. Study and practice are

likened to a boat sailing against the tide; it must forge ahead or it will be driven back. We must maintain a cool head; study, study, and study again; practice, practice, and practice again; and work hard to make ourselves high-quality cadres who are up to the party's requirements.

**PRC: Army Paper Reviews Jiang's 1 Jul Speech/
Part 5**

*HK1507065996 Beijing JIEFANGJUN BAO
in Chinese 5 Jul 96 p 1*

[Commentator's article: "A Maxim for Young Cadres—Fifth Talk on Studying, Implementing General Secretary Jiang's Important Speech Marking 1 July"]

[PTS Translated Text for FBIS] In his important speech delivered at the forum marking the 1 July anniversary, General Secretary Jiang Zemin dedicated four sentences to young cadres, which read: "Study hard, work diligently, make bold innovations, dedicate oneself conscientiously." [ke ku xue xi qin fen gong zuo yong yu chuang zhao zi jue feng xian 0466 5388 1331 5045 0530 1164 1562 0155 0516 0060 0482 0155 5261 6030 1144 3759.] In all earnestness, these four sentences have fully embodied the party's cordial care and earnest hope for young cadres, and they must become a maxim to every young cadre.

According to Marxist theory on the state, bringing up one batch of successors after another to the revolutionary cause is the inevitable demand and reliable guarantee for consolidating the political power of the state and developing the socialist cause. Just as Comrade Deng Xiaoping has stressed: "We must pay attention to bringing up people, and we must select and promote people to leading bodies who possess both political integrity and ability in accordance with the criteria 'being more revolutionary, younger in age, better educated, and professionally competent.' It is precisely this point that we rely on when we say that the party basic line will take care of the next 100 years and that we want a lengthy peaceful reign. This is the very issue that genuinely has a bearing on the overall situation." Over the years, a large number of young cadres have been appointed to leading posts at various levels; how are they to grow and mature as quickly as possible according to the party's requirements so that they will shoulder the century-straddling great historic responsibility? The four sentences General Secretary Jiang has dedicated to young cadres indicate the direction of their healthy growth. The four sentences are simple but very rich in connotation and profound in meaning. To study hard means to lay a solid foundation of political theory and professional knowledge, which is the basic condition for young cadres to render meritorious service to the party and the people. To work

diligently means to do a good job in the work that the party and the people have entrusted to young cadres, using high standards in the spirit of feeling unease day and night; this is the duty of young cadres, who cherish the party's cause and are devoted to their posts, and a basic way to temper and improve themselves as well. To make bold innovations means to emancipate the mind and blaze new trails to make progress; here lies the key for young cadres to give full play to their strong points and genuinely accomplish something in their career. To dedicate oneself conscientiously means to faithfully implement the goal of serving the people heart and soul, regardless of personal fame and gain, paying no attention to reward, being upright and honest, and working day and night for the public; this is the objective demand on young cadres to do a good job of being public servants of the people, and withstand the tests of being in office, reform, opening up and developing the socialist market economy. The four sentences dedicated to young cadres summarize the four basic ways for young cadres to improve their own qualities, and each is indispensable to becoming a successful party cadre.

There is no mistaking the aim of General Secretary Jiang's four sentences. In his speech, he made a comprehensive and scientific analysis of young cadres' actual conditions, affirming their merits and strong points, while indicating their weaknesses and shortcomings. This basic analysis entirely coincides with the actual conditions of army cadres. Since the CPC 14th National Congress, a large number of young cadres who have been assigned to army leading posts at all levels have kept growing and maturing, and they have made contributions to Army reform and construction. We must also point out, however, that quite a few young cadres lack systematic study in Marxist theory; they lack comprehensive understanding of the glorious progress and fine traditions of our party and Army; they lack personal experience in an environment of hardship and practical experience in commanding the whole situation from a strategically advantageous position and resolving various complicated issues with great proficiency. Only by strictly tasking themselves and improving themselves in a comprehensive way according to the four sentences will it be possible for the young mass cadres to comply with the new situation of reform, opening up, and developing the socialist market economy and to meet the demand of modernizing the country and the Army.

General Secretary Jiang's four sentences are high-level requirements. To implement the four sentences in a down-to-earth manner, our young cadres must establish a strong sense of mission and responsibility. The heavy responsibility for realizing the great century-straddling blueprint has fallen on young cadres' shoulders from

a historical perspective. The party's reliance on young cadres and the people's expectations of them are a kind of trust as well as an impetus. The four sentences coincide with the requirements of emphasizing politics and are the embodiment of emphasizing politics. To put the four sentences into practice, it is primarily necessary to emphasize politics; to improve one's own qualities, it is primarily necessary to improve one's political and ideological quality. In the final analysis, to make the four sentences a maxim, it is imperative to put them into practice. The four sentences themselves are the requirement to be practiced; only by genuinely studying and doing work in a down-to-earth manner will it be possible to carry them out to the letter. Party committees and leading organizations at all levels must earnestly study and grasp the requirements General Secretary Jiang has set out and earnestly perform the duty of bringing up, educating, and improving young cadres.

General Secretary Jiang said: "The most precious years in life are youth and middle-age, which must be prized—by no means should they be wasted." May our young cadres always bear in mind the four sentences General Secretary Jiang has dedicated to them, emphasize study, emphasize politics, and emphasize righteousness, while creating splendid accomplishments in their career worthy of the party, the people, and the times in fulfilling the century-straddling historic leap.

PRC: Government Departments Study Jiang Zemin's Speech

OW1407141796 Beijing XINHUA in English
1401 GMT 14 Jul 96

[FBIS Transcribed Text] Beijing, July 14 (XINHUA) — Officials of various Party, central government and provincial departments studied Party General Secretary Jiang Zemin's recent speech on the importance of training Party officials over the next several years.

Jiang, who is also president of the country, made the recent speech at a forum marking the 75th anniversary of the founding of the Communist Party of China (CPC), which falls on July 1.

Those departments have worked out measures for implementing the guidelines of Jiang's speech, and some departments discussed plans for training and appointing more younger officials.

In related developments, the Ministry of Personnel Affairs has decided to speed up the introduction of a civil service system.

Sichuan Province, China's most populous province, is going to run training courses for officials at various levels and send middle aged and younger officials to

ethnic and poor areas for training before they can receive a promotion.

Beijing, Tianjin, and Shanghai municipal officials have vowed to increase efforts to keep a cleaner government and to increase contacts with the people.

PRC: Son Describes Deng Xiaoping Illness

HK1807075596 Hong Kong TUNG HSIANG
in Chinese 15 Jul 96 No 131, pp 8-9

[Article by CHENG MING reporter Lo Ping (5012 0393): "Deng Pufang Talks About His Father's Illness"]

Deng Pufang Tells Official Media About His Father's Illness

TUNG HSIANG carried a report entitled "Deng Xiaoping Hospitalized" on its June issue No. 130, which said that Deng Xiaoping was sent to number 305 Hospital on the afternoon of 22 May because he had caught a cold and was suffering a high fever of 38.7 degrees Celcius.

How, then, is Deng Xiaoping's illness now?

After attending the National Disabled Fund Conference in late June, Deng Pufang met with reporters of some provincial newspapers and XINHUA branches from some of the provinces and regions in a lounge of the Great Hall of the People. Reporters from the XINHUA branches and newspapers of Hebei, Shaanxi, Henan, Shandong, Ningxia, Liaoning, and Hubei were present on the occasion.

The following is excerpted from the on-the-spot minutes of the reporters of the HEBEI RIBAO and HENAN RIBAO.

Reporter: "Comrade Deng Pufang, please convey our best regards to Comrade Deng Xiaoping."

"Father Hospitalized"

Deng Pufang: "Thanks for your regards and concern. I will convey your regards and on behalf of Comrade Deng Xiaoping, I would like to express my gratitude to you all. The people are concerned about Comrade Xiaoping's health and wish him longevity and good health. I thank you once more. As a party member and a member of the Deng family, I must abide by party discipline and relevant organization rules. Comrade Deng Xiaoping belongs to the party and the people. We are all concerned about his health and as are people from abroad. This is determined by many factors. In my opinion, the CPC Central Committee with Comrade Jiang Zemin as the core has used its outstanding political wisdom to competently lead the whole party and the people of the whole country in marching toward the new century. The political, economic, and social situation

over the years has proved this point. Regarding my father Deng Xiaoping, he is after all over 90 and I cannot say that he is getting in better shape and becoming healthier day by day. Who would believe that? Deng Xiaoping himself is against this. Foreign media have fabricated news about his death and his becoming a vegetable. The news is just reproductions of the old stories fabricated with political and economic motives. As an ordinary man, my father will have to take the natural road, become older and weaker year in and year out, and even get worse. Leading comrades of the CPC Central Committee and relevant departments have shown great concern for his health. The doctors are also doing their best to deal with his illness. When a man becomes old, it will be difficult to cure some of his illness with any medicine. As the conditions of the hospital are better than those at home, the CPC Central Committee has decided to hospitalize father. Leading comrades of the Central Committee often come to see and talk to him. Father still keeps the practice of reading the news and listens to documents every day."

Deng Xiaoping's Health Summarized in Three Sentences

While inspecting the employment conditions of the disabled in Shenzhen in early July, Deng Pufang met with reporters from Guangdong, Hainan and JIEFANGJUN BAO at the Guangdong Hotel.

Deng Pufang said: "I thank you all for your concern and respect for my father. As his son, it is quite natural that I expect him to have a long life. However, we must accept the laws of nature and accept anything that may happen. An old man of over 90 will have to take this road. All members of my family are ready. We are communists and materialists. The community is worried that once Deng Xiaoping passes away, there will be turmoil. I don't think that will happen. We have the firm leadership of the CPC Central Committee with Jiang Zemin as the core and the socialist line which has been proved by practice to conform to China's national conditions. It would be dangerous to place the future of a state on the health of a single leader. The CPC Central Committee had structurally resolved the question step by step at the final stage of the 1980's."

Deng Pufang continued: "I would like to tell you all that my father's health can be summarized in the following three sentences: It conforms to the law of nature, the CPC Central Committee shows great concern for his health, and medical workers have done their work well and with immense responsibility."

Although Deng Pufang mentioned about party discipline and organizational rules, which confined him from re-

vealing the situation of his father's health, he acknowledged that his father is hospitalized. [passage omitted on same ward where Zhou Enlai was hospitalized]

Nineteen Experts From Beijing and Shanghai Jointly Diagnose Deng's Illness

A source disclosed that Deng Xiaoping stayed in number 305 Hospital for a whole month. On 22 June, the Secretariat of the CPC Central Committee issued the "Latest situation of Deng Xiaoping's health."

On 17 and 18 June, the central medical team diagnosed Deng Xiaoping's illness on 11 occasions. A total of 19 heart and lung, urology, and anesthesia experts from Shanghai's Guangci, Renji, and Huadong Hospitals and the Second Military Hospital; Beijing's Xiehe and Sino-Japanese Friendship Hospitals and the Air Force Hospital as well as traditional Chinese medical experts from Shanghai, Henan, and Sichuan traditional Chinese hospitals were invited to conduct a joint diagnosis. The conclusion of the diagnosis was: Old and infirm, his immunity system has reached the lowest point. If his heart and lung functions are infected, resulting in complications, grave consequences will arise and all the rescue measures will be useless. [passage omitted on medical tests and sterilization required for people to visit Deng]

PRC: Media Discover New Hero: Ding Defu
OW1407161096 Beijing XINHUA in English
1523 GMT 14 Jul 96

[FBIS Transcribed Text] Urumqi, July 14 (XINHUA) — Correspondents from Xinhua and the People's Daily have discovered a new socialist hero who is loyal to the country and have written a lengthy article calling on people to learn from the man.

Ding Defu is the political commissar of the Ngari Military Area in the Tibet Autonomous Region who served in that post on the frigid plateau for 25 years, until July of 1994.

Ding was said to be a qualified officer who had tried his best to improve soldiers' living conditions, serve the local people, and combat corruption, according to the report.

One example cited was that one spring when Ding was taking 200 new soldiers to a camp, they encountered 12 trucks blocked by a river of ice en route, created by an avalanche.

The situation was dangerous because of the possibility of another one happening. Ding immediately jumped into the formidable river and directed the truck team in crossing the water.

"Ding stood in the icy river for eight hours," the article says, adding that, whenever Ding involved himself in dangerous activities, he left a final message for his family members.

One day when his daughter saw one of these messages, she begged her father not to go to the mountains. Ding calmed her, saying, "No. Daddy is a Party member and a senior officer. It would be glorious if I were to die on the plateau. But if I lose one inch of national territory, daddy will be guilty, and condemned by history."

The article went on to tell moving stories of how the generous commissar donated blood to help comrades, refused to accept bribes, and helped local farmers with their crops.

Ding's health was ruined because of his hard work and had to leave Tibet. He has been nominated as an excellent Party worker by the army and the government.

In recent years, China has had major campaigns to tell stories about citizens who have served the nation wholeheartedly, and urge the people to learn from these socialist models. This is believed to be a move to help improve people's spiritual lives and moral standards.

Among these heroes, the most well-known is Kong Fansen, a cadre who also worked in Tibet and died there.

PRC: Article Commends Achievements of Model Party Members

HK1607031096 Beijing RENMIN RIBAO in Chinese
2 Jul 96 p 3

[Commentator's Article: "Brilliant Group Images of Communist Party Members"]

[PTS Translated Text for FBIS] On the occasion of the 75th anniversary of the founding of the CPC, with intense emotion we commend to the broad masses of our readers the advanced deeds of six communist party members: Guan Qiangen, Kuang Zongyi, Shi Zuoshan, Ma Yongsun, Lin Bingxi, and Li Rugang. The occupations of these six communist party members include office cadre, people's policeman, forest worker, and factory manager. At their ordinary posts, they have made great achievements that have deeply moved us. Their achievements reflect the splendor of our times and demonstrate the brilliant characters of communist party members. Not long ago, we introduced to our readers the deeds of outstanding communist party members, including Xu Honggang, Li Guoan, Xu Hu, Wu Tianxiang, Chen Shuijin, and Chen Guanyu. These communist party members, working at different posts, have produced their brilliant group images. With their first-rate achievements, they have greatly motivated and encouraged us. In the meantime, they are so close and intimate

to us. It seems that they are living at our side and are within reach. This has further motivated us to learn from and catch up with these advanced party members.

The common characteristics of these six communist party members deserve our emulation. First of all, they have made efforts to realize the party's goal of serving the people wholeheartedly and being selflessly devoted to the party and people. This has been the most marked concept in the consciousness of these party members, and it demonstrates the most important political quality of communist party members. These six comrades worked their hearts out for the cause of the party and people, and they spared no efforts to promote reform, opening up, and economic construction. But they have gained very little. They are hard-working and thrifty, and they live a plain or even poor life. Comrade Kuang Zongyi, who was in charge of economic work for a long time, followed all his life the philosophy of "coming with a bamboo hat and leaving with a pair of rubber overshoes." Public security policeman Shi Zuoshan encountered economic difficulties in his family life. Although he spent more than 50,000 yuan on medical treatment for his cancer over the past five years or so, he never applied to the state for reimbursement even for a single fen. The most valuable thing in the house of Li Rugang, manager of Baotou Sugar Factory (a large state-owned enterprise), was a color television set. The house of Lin Bingxi, who had examined and approved construction projects involving more than 500 million yuan, was never renovated. The noble characters of these comrades, who are clean, honest, and not soiled by a speck of dust, have moved us deeply. They are strict with themselves, but they are always concerned with the well-being of the masses. They make unremitting efforts to help the masses solve their difficulties. Some comrades fell and died prematurely because of constant overwork. These comrades have fully demonstrated the style and characteristics of communist party members who fear no sacrifice for the happiness of the people. The broad masses of party members must earnestly learn from their spirit of fulfilling the party's goals, of always setting strict demands on themselves with the standards of communist party members, and of playing their exemplary and leading role in all aspects. What is most commendable in the advanced deeds of these comrades is that in the course of reform, opening up, and modernization, they united with the broad masses of people to explore the way forward and score outstanding achievements. With lofty aspirations of invigorating state-owned enterprises, after taking up the post of factory manager, Comrade Guan Qiangen conscientiously studied the market, was bold in applying new advanced technology, and explored a new management method. He eventually succeeded in

turning deficits into surpluses, and he helped his staff and workers completely turn the corner. Comrade Ma Yongsun not only broke a national record of woodcutting but also invented five or six advanced operational methods. At the venerable age of 80 or so, he took the lead in planting trees and promoting a beneficial cycle of forest production. While carrying out a construction project, Comrade Lin Bingxi meticulously mastered his techniques. Construction costs of 30 million yuan were saved as a result of technical innovations initiated and improved by him. Eight million yuan was saved in a project to construct the Hanzhu Paper Mill initiated by Comrade Kuang Zongyi. Comrade Li Rugang led workers and staff members to surmount technical difficulties. They eventually succeeded in turning a poorly equipped and loss-making state-owned enterprise into a profit-making big plant. All these achievements were the result of their efforts in giving play to their wisdom and creativity, carrying forward the spirit of hard struggle, and having the courage to open up a new prospect. Their unswerving determination, diligence, and courage for exploration have become our valuable spiritual wealth. Their successes have played a very great encouraging role in leading the masses to implement the party's basic line and achieving the party's "three-step" strategic objectives. To learn from these six comrades, we should do as they have done to actively participate in the modernization drive and make contributions to the party and the people.

These outstanding six communist party members have devoted themselves to the people. The people's affection for them is as deep as the sea. They treat them as their own sons and public servants. After the death of Comrades Kuang Zongyi, Shi Zuoshan, and Li Rugang, a large numbers of cadres, masses, and elders came to bid farewell to them. Those moving scenes demonstrate perfectly the harmonious relationships between our party and the masses. This has been an important guarantee for the constant victories of our party's cause.

PRC: Jiang Zemin Plans To Move 'Key Protege' Huang Ju to Beijing

HK1607070096 Hong Kong SOUTH CHINA MORNING POST in English 16 Jul 96 p 8

[By Willy Wo-Lap Lam]

[PTS Transcribed Text for FBIS] President Jiang Zemin has resurrected his plan to move a key protege, Shanghai party secretary Huang Ju, to Beijing.

Chinese sources said yesterday Mr Jiang could nominate Mr Huang as the Secretary of the Central Commission for Disciplinary Inspection at the forthcoming sixth assembly of the Communist Party Central Committee.

They said members of Mr Jiang's office had started sounding out the 189 members of the Central Committee.

"If Jiang thinks he can get majority support for Huang, he will go ahead with the nomination at the plenum," a source said yesterday.

He added that Mr Jiang had tried to transfer Mr Huang to Beijing last year, but gave up because of lack of support.

The incumbent head of the commission, which is the party's highest body for fighting corruption and other disciplinary matters, is Wei Jianxing.

But since Mr Wei is also concurrently Party Secretary of the Beijing municipality, and chief of the official trade union, it is only a matter of time before he has to relinquish at least one of his portfolios.

Resistance to Mr Huang's promotion comes mainly from politicians jealous of the influence of the so-called Shanghai Faction, whose head is Mr Jiang.

The Party Secretary of Shanghai is entitled to a seat on the Politburo.

Mr Huang was inducted on to the Supreme Council when he replaced Wu Bangguo, another Jiang protege who was later made vice-premier, at the fourth Central Committee plenum in 1994.

Political sources in Beijing said if Mr Jiang has his way, Mr Huang's successor, who is likely to be another Shanghai politician, would also make the Politburo.

They said Central Committee members, particularly those from the heartland provinces, had repeatedly voiced their opposition to the rise of Mr Huang and Mr Wu. The sources said National People's Congress Chairman Qiao Shi had spearheaded the campaign to stop Mr Huang.

It is understood that Mr Qiao wants ally Mr Wei to remain chief of party discipline.

Mr Qiao reportedly told Mr Jiang that few politicians had Mr Wei's experience in disciplinary matters.

Mr Jiang said Mr Wei, who replaced the disgraced Chen Xi tong as Beijing party boss last year, should concentrate on his job in the capital.

The President said he hoped Mr Wei's departure from the disciplinary commission would help sever Mr Qiao's links to the powerful intelligence establishment.

PRC: Source: No Major Policy Change Before 15th CPC Congress

HK1607072396 Hong Kong MING PAO in Chinese
16 Jul 96 p A10

[Report by special correspondent Li Yi (2621 0076): "Preparatory Group for 15th CPC Congress Starts Work—No Important Domestic or Foreign Policies Are To Be Introduced Before 1997"]

[PTS Translated Text for FBIS] According to a source close to top Beijing levels, the CPC Central Committee has set up the "Preparatory Group for the 15th CPC Congress," which will work directly under the leadership of General Secretary Jiang Zemin. Before the 15th CPC Congress, the CPC Central Committee will continue to put stability above everything else and there will be no major moves in political or economic reforms or cross-strait relations.

Hu Jintao, member of the Political Bureau Standing Committee and secretary of the Secretariat, will be head of the Preparatory Group and Ding Guangeng, member of the Political Bureau Standing Committee and head of the Central Propaganda Department, will be deputy head.

Jiang Zemin Exercises Direct Leadership

The source said that preparatory work for the 15th CPC Congress is now focused on drafting the political report and deliberating the political line for the congress. According to CPC practice, every CPC congress must have a political line which governs the overall situation. But the "mainstream thinking" of the line for the 15th CPC Congress is not yet mature.

Political experts in Beijing and Shanghai are concerned about the relationships of interests between politics and economy, between reform and development, and between opening up and national interests to be expounded in the line of the 15th CPC Congress. They believe that the line of the 15th CPC Congress will be the ideological declaration of the "Jiang core." The quintessence of Jiang Zemin's recent important speeches on politics, training successors, state enterprise reform, attaching importance to agriculture, and "Jiang's eight-point proposal" will be concentrated in the report of the 15th CPC Congress. The resolution on spiritual civilization to be adopted by the Sixth Plenary Session of the 14th CPC Central Committee held in autumn this year will also be an important component part of the report.

According to the source, Beijing's moves in preparing for the 15th CPC Congress in advance show that the top levels attach great importance to the upcoming congress. Besides readjusting the leadership stratum,

the third-generation CPC leadership core will sum up the experience of the administration over the past five years and put forward its political line transcending the century at the 15th CPC Congress. This line will be related to the situation at home and abroad.

Political Line Transcending the Century

Regarding China's current economy, there is still pressure in the reform of state enterprises and increasing prices for farm produce. The gap between rich and poor, corruption, and other social problems are still prevalent in the localities. Moreover, the 15th CPC Congress is to be held after the return of Hong Kong's sovereignty to the motherland. Whether a smooth transition can be effected and whether "one country, two systems" will be a success constitute a stern challenge for the CPC leadership.

To create a stable and fairly ideal political and economic environment for the 15th CPC Congress, the source disclosed, the central authorities have decided to continue to regard stability as the issue of primary importance prior to the 15th CPC Congress. Reform and opening up should also be subject to this highest interest. The policies likely to affect the political situation will be "introduced" later. In the reform of state enterprises, the central authorities have allowed the localities to introduce reform boldly, but they should not provoke a new round of theoretical controversy. In the reform of the political structure, the status quo should be maintained. Regarding requests for a greater number of candidates than the number of seats in elections, the task is to do "persuasion work" well.

Do a Good Job of Hong Kong's Return First

On the international scene, Beijing wants to focus attention on resolving Hong Kong's transfer of political power and smooth transition before the 15th CPC Congress, create an image for Deng Xiaoping's "one country, two systems" formula, and eventually prepare for settling the question of Taiwan. For this reason, apart from urging the Taiwan authorities to hold political talks, the mainland will not take new action toward Taiwan and will not be concerned about "olive branches" from Li Teng-hui.

Meanwhile, Beijing will make new efforts to join the World Trade Organization. According to the source, Beijing badly wants to smoothly resolve the questions of Hong Kong and of "re-entry to the General Agreement on Tariffs and Trade," the two major problems, prior to the 15th CPC Congress, which will create favorable conditions for China's new round of economic development and encourage the Chinese people to greet the new century with full confidence.

PRC: Reform of Court System 'Will Help Guarantee Fair Judgments'

HK1807085096 Beijing CHINA DAILY in English
18 Jul 96 p 1

[By Chen Yanni: "Courts Confront Changes"]

[PTS Transcribed Text for FBIS] Reform of the court system will help guarantee fair judgments, enhance efficiency in case handling, and promote the clean-government campaign within the judicial sector, a senior judge said yesterday.

Some customary trial practices, formed under past historical conditions, can no longer meet the requirements of the modern legal system, said Zhu Mingshan, vice-president of the Supreme People's Court.

Zhu, who is attending a four-day national working conference on the reform of trial methods which ends today, said the past practices were not efficient and wasted time as well as material and human resources.

As an example, in a criminal case the judge first has a comprehensive look at files and evidence transferred by the procuratorate.

Only if he or she considers the facts of the crime clear and the evidence sufficient does the trial begin.

The Revision to the Criminal Procedure Law, which will go into effect on January 1, 1997, stipulates that there should be a court hearing if the charge is supported by a catalogue of evidence, lists of witnesses' names and copies or photos of evidence.

Thus, preconceived rulings by the judge can be avoided.

In addition, under current practice, it is the judge who presents evidence in court and asks the defendant questions.

The new law says the public prosecutor and the defence lawyer are responsible for presenting evidence in court.

"Conditions for comprehensive reform of trial methods are favourable now," Zhu said.

Remarkable achievements have been made in China's legislation, and a relatively complete system for lawsuits, a prerequisite for the reform, has been set up, he said.

In addition, the people's legal awareness has been enhanced after years of education, Zhu said.

Some courts involved in pilot reform programmes have had successful experiences, he said.

However, there are still some difficulties in proceeding with the reform, Zhu said.

Some time is needed for various parts of the society to accept the new trial methods, he said.

The new law says the court should hand down the verdict of "not guilty" after the court hearing if the evidence is insufficient to prove the crime.

Currently, courts usually send case files back to the procuratorate for additional investigation while coercive measures are used upon the accused.

So the number of "not guilty" verdicts will increase, and this will possibly draw complaints from the public, Zhu said.

The reform concerns not only courts, but also the procuratorates and lawyers, Zhu said, and so co-ordination among the parties is essential, Zhu said.

In addition, the uneven social, cultural and economic development of different regions should also be considered, he said.

Furthermore, the new law sets out higher requirements for judges, Zhu said, but their quality must be enhanced over time.

Besides attending training classes, judges should accumulate practical experience, which is equally important, Zhu said.

PRC: Commentator Advocates Intensifying 'Strike Hard' Campaign

HK1507031996 Beijing RENMIN RIBAO in Chinese
4 Jul 96 p 4

[Commentator's article: "Carry Out the 'Strike Hard' Struggle in a Deep and Sustained Manner"]

[PTS Translated Text for FBIS] The nationwide "strike hard" struggle has been under way for more than two months. It has been conducted with great momentum, rapid progress, and marked results, and it has struck blows at crime, improved public order, and played a positive role in safeguarding social stability. Feeling proud and elated, all circles in society and the broad masses of the people clapped their hands with joy.

As the fight against crimes is a protracted and arduous struggle, however, it cannot be accomplished at one stroke. We must have a sober understanding of this point and, with an attitude of being highly responsible to the party, state, and nation, we must conscientiously sum up our experience and study how to resolve the existing problems. We should put a lot of time and effort into mobilize the masses more extensively and thoroughly and to make new breakthroughs in busting major crimes, pursuing and capturing escaped prisoners, and ferreting out deeply concealed criminal syndicates to gain higher

prestige and win greater successes in the "strike hard" struggle.

To continuously deepen the "strike hard" struggle, all localities should conscientiously make a success of three aspects; i.e., strengthening leadership, mobilizing the masses, and carrying out comprehensive management. The key to maintaining the momentum of the struggle, consolidating and expanding its achievements, and striving for a gradual improvement in social order lies in strengthening leadership, which is also an important mark for judging every leading cadre's sense of political responsibility. Practice has proven that if the leaders have strong resolve and conduct the struggle vigorously and resolutely, the masses will have confidence and give a positive response, and then marked achievements will be attained in the "strike hard" struggle and social order. Party committees and governments at all levels should conscientiously implement the spirit of Comrade Deng Xiaoping's instruction on "doing two types of work simultaneously, attaching equal importance to both." While carrying out economic construction, reform, and opening up, they should place the issue of conducting the "strike hard" struggle in a deep and sustained manner and of "ensuring security in an area" at the top of their agenda, make careful studies and arrangements, and take personal command. As long as they have a high sense of political responsibility and the determination to carry the struggle through to the end, it is entirely possible to improve social order still further.

"The wide net of justice is loose but never misses." First, there should be a strong contingent of procuratorial, judicial, and public security personnel who strictly enforce the law and are good at fighting; second, there should be vast numbers of people who give a positive response and are ready to take up the baton for a just cause because they are a solid foundation for the smooth progress of the "strike hard" struggle. The masses of the people have a bitter hatred for criminals and yearn for good social order. So long as the masses are mobilized, a powerful deterrent force will be generated. Then, all sorts of criminals will be like rats running across the street, with everybody shouting, "Kill them," and some deeply concealed criminals are also likely to be exposed. The crucial issue now is to be good at organizing and mobilizing the masses in light of the new struggle situation and make the party Central Committee's policy decision and guidelines on the "strike hard" struggle thoroughly known to the basic grass-roots units, such as street and neighborhood committees, the living quarters of those working in party and government organs, townships, towns, villages, and groups. Only in this way can the "strike hard" struggle be known to all and set up

roots in their hearts and can cadres, workers, and staff members in all departments and units and the masses of the people be mobilized and actively plunge themselves into the struggle.

As a powerful means for resolving the social order problem, the "strike hard" struggle must be conducted in a sustained manner. From a long-term point of view, however, we should, in the final analysis, rely on comprehensive management to really resolve the problem of social order and maintain a good public order situation for a long time. Consequently, while unswervingly conducting the "strike hard" struggle, all localities should make real efforts to comprehensively implement measures for comprehensive management of social order. They should strive harder to implement the leadership responsibility system for comprehensive management of social order, the responsibility system for management by objectives, and the one-vote veto system and promote joint management by the whole society. They should conscientiously strengthen the grass-roots organizations and the mass prevention and management contingents and set up a mechanism for the masses to educate, manage, and restrain themselves. They should enforce population management, especially the management of key population areas and the floating population. They should conduct in a deep way education in popularizing knowledge of law to increase the initiative of cadres and masses in observing and safeguarding the law. It is necessary to step up public order management and precaution work in key trades, industries, and places and, in line with the principle of "those in charge should be responsible for public order," put a lot of time and effort into exercising regular management of public order.

"The struggle will go on and on." We firmly believe that, under the correct leadership of the party Central Committee with Comrade Jiang Zemin as the core, with party and government leaders at all levels and in all places attaching great importance to the struggle, with the vast numbers of procuratorial, judicial, and public security personnel fighting valiantly, and with the vigorous support of all circles of society and the masses of the people, we will certainly be able to improve social order and eventually achieve lasting political stability by conducting the "strike hard" struggle in a sustained manner and stepping up the comprehensive management of social order.

PRC: Column Condemns Former Social System in Tibet

*HK1807085396 Beijing CHINA DAILY in English
18 Jul 96 p 4*

["It Seems to Me" column by Guang Li: "A Wolf Disguised as a Shepherd"]

[PTS Transcribed Text for FBIS] "Please immediately send us a set of fresh intestines, two heads, blood of different animals and a whole sheet of skin."

The above sentence is not a customer's order to her butcher. It's an abstract from a letter the Dalai Lama's government wrote to a Tibetan serf owner in preparation for the Dalai Lama's birthday celebration in 1950.

Don't think that innocently animal organs were wanted. [sentence as published] The letter made it clear that human organs were wanted.

The letter is preserved in the Tibet Archives and that same Dalai Lama is now traversing Europe and America searching for political and financial support while preaching his human rights.

A political separatist, the Dalai Lama has been disguising himself as an advocator for democracy and human rights.

He time and again claims that the social system in old Tibet was among "the holiest and the most wonderful" and that it offered "full freedom and happiness."

Having visited Tibet and with some knowledge of the region's history, I think the Dalai Lama was perfectly right in claiming that there was what he called "freedom and happiness" in old Tibet.

A footnote, however, is indispensable: such freedom and happiness was available only to the Dalai Lama and serf owners.

A serfdom more brutal than that of medieval Europe existed in Tibet before the democratic reform in 1959.

Statistics from June 1959 show that of the 220,000 hectares of land under cultivation in Tibet, 99.7 per cent were owned by local administrative officials, nobles and high ranking lamas who made up only 5 per cent of the population.

The serfs who made up 95 per cent of the population were themselves property of serf owners. Even their offspring became the property of the serf-owners the moment they were born.

The serf owners had the freedom to buy and sell serfs; many original contracts remain preserved in the Tibet Archives.

According to old Tibetan administration records of 1950 kept at the Archive of the Tibet Autonomous Region, 90 per cent of Tibet's 1 million population were homeless. Of the 20,000 population in Lhasa then, there were more than 1,000 families living as beggars.

Some blood-thirsty serf owners found happiness in torturing their slaves by having their feet and hands chopped off, their eyeballs pried out, their tongues cut off and their skins peeled.

They could legally do this because they were protected by law which offered all kinds of privileges to the serf owners.

No wonder that the Dalai Lama's government officials could matter-of-factly order human organs as sacrificial offerings for the lama's birthday celebration.

I once went to a lecture given by the Dalai Lama some years ago when I was in the United States. Listening to him talking about "freedom," "democracy" and "human rights," I could not help but laugh.

I told my friends, "To believe this guy about what he is talking about, you are entrusting a fox to take care of your chickens."

I told them a true story.

In 1951, a group of 18 serfs, unable to tolerate cruelty, escaped from Serxin Manor, which was owned by the Dalai Lama's family.

The furious owner put up wanted posters which stated that "the fugitives should be brought back alive or have their heads and hands cut off if found dead."

All the escaped were soon caught. With whips in hand, the owners forced the serfs to run barefoot on a field strewn with sharp stones and thorny plants. After that, they were tied to a tree and were flogged with a spiked stick — 100 times for each of them.

One hundred for each! I wonder how the Americans, who two years ago made a stormy furor about Singapore's enforcement of law — the whipping of a law-breaking American youth, four lashes only — would react to the cruelty of the Dalai Lama and his family.

Such is the "holiest and most wonderful system" that the Dalai Lama takes pride in; such is the "human rights" the Dalai Lama made the slaves to enjoy. I wonder if some Westerners, in supporting the Dalai Lama, wish to introduce such a system and such human rights into their own countries.

Probably not.

The Europeans should know how dark it was in the Medieval Age and returning to that period would mean

repressive rule of the world. The Americans should have even a better knowledge about slavery to abolish which they had to fight a bloody war 150 years ago.

If they are not ready to introduce the Dalai Lama's "holiest and most wonderful system" into their own countries, then what is their logic in supporting the biggest serf owner in restoring that system in Tibet which is part of China?

I don't believe that Westerners can be so ignorant of the Dalai Lama and of old Tibet — there are numerous materials including objective fact-finding reports by Western scholars, writers and reporters.

PRC: PRC Tightens Film Censorship by Appointing New Officials

HK1607064796 Hong Kong SING TAO JIH PAO in Chinese 16 Jul 96 p A2

[Report by reporter Kuang Tung-chou (6782 0681 5297): "Beijing Replaces Officials in Charge of Film Work To Tighten Ideological Control"]

[PTS Translated Text for FBIS] To tighten control over the film industry, the Chinese senior hierarchy recently sent officials to tighten supervision over that industry. Zhao Shi [6392 1395] (female), former secretary of the Secretariat of the Communist Youth League Central Committee, has been appointed vice minister of radio, film, and television. Ding Guangeng has even appointed his secretary Wang Gengnian [3769 2577 1628] as deputy director of the Film Industry Administration under the Ministry of Radio, Film, and Television to be directly responsible for a final check on film censorship.

To coordinate with Jiang Zemin in "paying attention to politics" and with the political requirement to carry out the building of spiritual civilization, Ding Guangeng, member of the Political Bureau and Secretariat of the CPC Central Committee in charge of cultural and propaganda work, recently replaced officials of the Ministry of Radio, Film, and Television in a bid to tighten control over the movie market in terms of ideology.

Zhao Shi, the new vice minister of radio, film, and television, has taken over the film work Vice Minister Tian Congming was formerly in charge of. Zhao, 43, graduated from the Chinese Language Department of Jilin Pedagogical College in 1985. She served respectively as a log keeper at the art film office of the Changchun Film Studio, deputy director, director, deputy office director and deputy secretary of the Changchun Film Studio CPC Committee, deputy studio director, secretary of the studio party committee, and deputy secretary of the Changchun City CPC Committee. In 1993 she was

promoted to the post of secretary of the Secretariat of the Communist Youth League Central Committee. She has co-directed various films, such as "5 Garden Road" and "Women's Strength."

Wang Gengnian, now in his early thirties, graduated from the Chinese Language Department of Beijing University. He worked as a secretary at the Ding Guangeng Office for a long time. Following his recent appointment as deputy director of the Film Industry Administration, he has been made responsible for film censorship. All films to be publicly shown across the country, including imported foreign films, can be shown only when they pass final censorship by Zhao and Wang.

It is learned that Ding recently stressed the need for film creation to hold on to the direction of serving the people and socialism. Apart from annually releasing 10 "excellent films," other publicly shown films should also "highlight the main trend." Those films highlighting "the main trend" must occupy a "principal and leading" position. To this end, further measures should be taken to regulate the creation and release of spiritual products, including film and television production.

It is learned that since taking office, Zhao and Wang have tightened film censorship measures in line with the requirements to highlight the main trend and step up the building of spiritual civilization. At present, China still follows the system of film censorship at three levels, i.e. the film studio, the provincial radio, film, and television department, and the Ministry of Radio, Film, and Television. Whether a film can be released or not eventually has to be decided by Zhao and Wang. Since the beginning of this year, a number of films have not been allowed to be publicly shown in China because they have not passed final censorship. They include "Spring Moon [feng yue 7364 2588]," directed by Chen Kaige, "Relations Between Two Sexes," directed by Feng Xiaogang and written by Wang Shuo, "I Am Your Father," directed by Feng Xiaogang, "Rice," directed by Huang Jianzhong, and "How the Steel Is Tempered," directed by Lu Xuezhong, as well as the U.S. films "Apollo 13" and "Golden Eye."

PRC: State To Tighten Control Over Hiring of Foreign Teachers

HK1507071896 Beijing CHINA DAILY in English
12 Jul 96 p 2

[By Xu Yang: "Hiring Foreign Teachers, Higher Tuition Checked"]

[PTS Transcribed Text for FBIS] Schools cannot demand higher tuition just because they have foreign faculty members, according to a new education circular effective yesterday.

The State Education Commission and State Bureau of Foreign Experts vowed to tighten control over the recent boom in hiring foreign teachers and using that hiring to bump up tuition charges.

Between 1991 and 1995, only 600 schools, mostly universities, were authorized to hire foreign teachers.

However, that number has doubled—not entirely legally — and schools other than the State universities now account for half of the employers of foreigners.

Adult education centres, vocational training schools, middle and primary schools, even kindergartens, are offering classes taught by foreigners.

Some so-called "bilingual schools" charge much higher tuition than public schools.

Understandably, people believe that mastering a foreign language will help them get into good universities or get better jobs, said Xu Zhenyuan, deputy director of the State Bureau of Foreign Experts, at a press conference yesterday.

But, the new circular specifies that kindergartens, primary schools and junior middle schools are not usually allowed to hire foreign language teachers.

Special foreign language schools, schools involved in sister city programmes and implementing government education reform projects are excepted from the hiring ban.

Senior middle schools, universities, vocational training and adult education institutions which want to employ foreign teachers need to meet prerequisites.

These include a management office, qualified Chinese assistants, a complete appraisal system, proper living and security guarantees, stable financial resources and knowledge of the foreign expert hiring process.

When all these conditions are fulfilled, the schools can submit their application to provincial education administrations and foreign affairs offices.

The application will go to the State Bureau of Foreign Experts for final approval after the provincial education, foreign affairs and public security departments have endorsed it.

PRC: Ideology Chief Visits Singapore for Tips on Internet

HK1507073396 Hong Kong HONGKONG
STANDARD in English 13 Jul 96 p 6

[By Vivien Wong]

[PTS Transcribed Text for FBIS] A team led by the Communist Party's propaganda chief has visited

Singapore to study ways of screening out material on the Internet that is not in line with official ideology.

The delegation was led by Ding Guangen, head of the Communist Party's Central Propaganda Department, a well-placed source said.

The trip reflected Beijing's deep concern with the rapid expansion of the Internet and its ability to give users access to unrestricted amounts of information from Worldwide sources.

The Internet, with its rapidly expanding database, has become a double-edged sword for many governments in the world today, analysts say.

But, the source said, unlike in some Western countries, where the debate is over illegal, pornographic and violent material on the Internet, Beijing was more worried about the invasion of alien ideologies.

Chinese authorities regard Singapore as being able to set a good example on how to handle questions of Internet access and censorship.

The Singaporean government encourages its citizens to use the Internet for educational purposes but also exercises ideological censorship.

The chairman of Singapore's National Information Technologies committee Teo Chee Hean, told students at a technology seminar in the island republic last year that controls on the global computer network were necessary because "just as cars knock down people, ideas can also be dangerous".

In 1994 the Singapore government set up a committee to study ways of regulating the information available on the Internet.

This year it tightened the controls to curb access to pornography.

It also decided on measures that would monitor activities in cyberspace that it believed could undermine its political and social stability.

There have been recent signs that China has become increasingly interested in learning from Singapore on how to impose ideological controls.

Last September, Mr Ding paid a visit to Singapore to learn from it effective measures to manipulate the mass media.

In February this year, the Chinese government issued a regulation stipulating that all end users of the Internet should register with the local public security authorities by May with a fee of 400 yuan (HK\$372), according to a report by the official Xinhua News Agency. The

monthly service fee is 100 yuan for six hours of service, it added.

It was expected that further regulations governing the use of information obtained through the Internet would be forthcoming from Beijing authorities, the source said.

On the other hand, China is also building up its own nationwide computer network called Chinanet, according to a report by ChinaNews service (CNS).

It is not clear whether people wanting to get access to the Internet will have to go through the Chinanet.

Computers have become increasingly popular in China, where sales figures climbed to 1 million Units last year.

The number of Internet users has dramatically increased to about 100,000 so far this year.

A few years ago, the Internet was available only to universities, but it gradually expanded to households over the past few years, according to a report by Xinhua.

PRC: Further Progress Planned in Development of Libraries

*HK1507073696 Beijing CHINA DAILY in English
15 Jul 96 p 1*

[By Liu Yinglang: "Books Getting On the Shelves"]

[PTS Transcribed Text for FBIS] China has been successful in its drive to build new public libraries and improve those already in existence, and plans are being made to do even more.

The number of public libraries in China has grown from 55 in 1949 to 2,596 today, with a total of 300 million volumes.

Last month Tibet became the last of the provinces, municipalities and regions in the country to open its own public library, opening a library in Lhasa, its regional capital.

This was done in time to be celebrated at the 62nd General Conference of the International Federation of Library Associations and Institutions (IFLA), which will be held in Beijing next month.

While preparing for the conference, the Library Department under the Ministry of Culture is busy drawing up a five-year plan for the development of the country's libraries.

An official with the department disclosed that the construction of databases and computerized networks in libraries in Beijing, Tianjin, Shanghai and several other areas would be emphasized in the plan.

More than 200 counties across the country still have no library, so the plan states at least one library should be installed in each of those counties.

In 1949 there were only 392 libraries — public and private — across the country. In 1994 there were 258,477 libraries, not counting children's, school and military libraries.

Nearly 50 years ago there were only 132 college libraries, while now there are 1,080. The number of scientific research libraries has grown from 44 to 8,000.

The Beijing Library, which has a total area of 170,000 square metres, is one of the five largest libraries in the world, and boasts a storage of 19 million volumes.

Work is being done to modernize libraries now, adding computers, audiovisual facilities and other modern technology to improve library management and service.

More than 50 colleges and universities offer special courses and majors in information and library sciences.

Tang Shaoming, a senior official with the organizing committee, said that preparations for the meeting have mobilized some 200 volunteers and a total of 26 interpreters have been hired to work for the meeting.

This will be the first international high-level meeting on library studies in China.

Some 3,000 people from around the world are expected to attend the conference, debating topics like "Challenges of Change: Libraries and Economic Development."

According to Luo Gan, secretary-general of the State Council, the conference will contribute to economic and cultural development in the information era.

Luo has been selected as chairman of China's organizing committee for the conference.

The conference's seminars will focus largely on information technologies and how to effectively utilize them in public libraries.

By mid-May, a total of 210 theses have been selected for presentation and discussion at the academic meeting, covering various aspects in library sciences.

Some 25 per cent of the papers deal with the development of libraries in China, making this meeting different from previous IFLA general conferences, according to Tang.

***PRC: "Colonization of Chinese Culture by the West" Challenged**

96CM0441B Beijing DUSHU [READING] in Chinese
Apr 96 , pp 155-156

[Article by Jilin University's Li Daqiang (2621 1129 1730): "Bidirectional Cultural Colonization"]

[FBIS Translated Text] There are people who regard cultural colonization as a deep and real threat. It is interesting that our Japanese neighbors seem not to have this concern. Japan's enthusiasm for absorbing foreign cultures is one hundred times that of China. Ordinarily, they should be more qualified to be vigilant to the dangers of cultural colonization. It is strange that although there have been the "Japanese spirit and Chinese learning" and "Japanese spirit and foreign learning" slogans (generally equivalent to our "make foreign things serve China"), the Japanese people do not seem to make a big hue and cry about it. Is it maybe because the Japanese culture early on experienced and became accustomed to colonization? By comparison, several thousand years of tradition have caused bad old practices to die hard for the Chinese people. A glorious culture and the self-esteem born of that have caused us to have no way to adapt to the sharp role reversal. As Hu Shih said, yesterday's splendor has become today's obstacle.

There is nothing to stop us from carefully deliberating the so-called cultural colonization. How much of it is truly a social problem and a profound cultural crisis and how much is a cover up for holding cultural vanity in esteem? Honestly, most concern about cultural colonialism comes from not adapting to role reversal and does not in itself constitute a problem. Direct emotional aversion occupies an important position in the opposition between cultural subjugation and being subjugated (or countering subjugation) and colonization and being colonized (or countering colonization), to the point of suppressing profound thinking on several relationships and interests. The extreme sensitivity of the Chinese is called the "profit more than thought characteristic" by mi-lan kun-de-la [4717 5695 2492 1795 2139; Myron Kundel?] in *Collection of Laughs to Forget*. In a sense, there is nothing wrong with cultural colonization. The important thing is that we ourselves also should take the things that we are proud of to colonize in Uncle Sam's backyard. In interchanges, after all, having is better than not, and if colonizing is bidirectional, neither side has reason to be dissatisfied.

This then is the impression from reading Mr. Zhuang Dong's [8369 0392] "Speaking From the Statue of Liberty," (*Dushu*, 1995, No. 8). Like making Chu Shen in *Besieged City* clearly see—this man seems more

powerful than Wei-te-gen-si-tan [4850 3676 2704 2448 0982]—I am afraid that it is laughable, because the issue discussed above is really false. Hu Shih said, "I can see the solution to this major issue. Only by relying on the farsightedness and understanding of historical continuity of leaders in New China's intellectual circles and relying on their resourcefulness and skill, can we successfully link the cream of modern culture with the cream of our own culture." In all these words, it is obvious that we become "leaders of New China's intellectual circles" (at least its close comrades-in-arms). Whenever intellectuals pick up a pen, it is generally like this and what lands on the paper cannot help but be extremely superficial.

Just a chat.

***PRC: Historical Sinicization of Non-Chinese Justified**

96CM0441AA Beijing DUSHU [READING]
in Chinese May 96 No 5, pp 29-37

[Article by Ge Jianxiong (5514 0494 7160): "Peerless Hero or Eternal Criminal—Yuan (Tuoba) Hong and His Moving the Capital and Sinicization"]

[FBIS Translated Text] There are too many personages in Chinese history worth being understood, discussed, and commemorated. One that I have noticed rather frequently in recent years is Northern Wei Emperor Xiaowen, Yuan (Tuoba) Hong. He was born in August of the first year of Northern Wei Huangxing (476 C.E.) and died in April of the twenty-third year of Taihe (499). In another three years, it will be the 1500th anniversary of his death. His original surname was Tuoba, but three years before his death, he changed his surname to Yuan. In the 23 years that he was on the throne, his most important and controversial actions were the moving of the capital and sinicization. Although historians have already published quite a few treatises, I feel that there still is a need for further discussion, because perhaps with today's perspective people will come out with a totally different evaluation.

Is Yuan Hong, after all, a peerless hero or an eternal criminal? We had better first take a look at the historical facts!

In May of the seventeenth year of Taihe of the Northern Wei (493 C.E.), Emperor Xiaowen, Tuoba Hong, held a fast in the Ming Court of the capital Pingcheng (northwest of the present Datong, Shanxi), convened all the ministers and wanted to divine whether he should send his army to conquer the southern dynasty. The taichangqing Wang Chen was in charge of divining by the Eight Diagrams. He carefully observed the lines on the tortoise shell and determined that they belonged to

the *ge* diagram. As soon as Emperor Xiaowen heard it, he immediately quoted what was said of the *ge* diagram in the Yijing, "Tang and Wu's revolutions were by the order of heaven and through the will of the people." It truly could not be more auspicious." All the ministers knew that Emperor Xiaowen had already made up his mind, and no one dared to say a word. Only shangshu and city king Tuoba Cheng said, "Your Majesty inherited the task left behind by previous emperors to rule the Central Plains. This expedition will not even conquer a small country, but only gains talk of *tang*, a divination similar to the revolution of kings Zhou and Wu. I am afraid that this cannot be considered great luck." Emperor Xiaowen remonstrated in a loud voice, "The Yijing clearly says, 'The great man becomes a tiger.' How can you say that it is not auspicious?" Tuoba Cheng said, "Your Majesty has been on the throne for a long time. Why is it only today that you can change into a tiger?" Xiaowen's face dropped and he said, "The country is my country. Does the city king think to shake people?" This city king, without showing respect, said, "Although the country is Your Majesty's, I am the country's minister. How can I know about danger and not say a word?" Emperor Xiaowen endured this manner of speaking with difficulty and mildly said, "Every speech has its intention. It is nothing serious!" This solemn ceremony then was hastily concluded.

Emperor Xiaowen's true intention certainly was not a southern expedition. He knew that the city king had seen through his thinking. After he got back to the palace, he immediately called in his subordinates and said, "I was afraid that the many people and mixed voices in the Ming Court had ruined my major task. So, I pretended to get angry to intimidate civilian and military officers of all kinds. You probably understand that. Now let us again have a serious discussion of the *ge* divination." Then ordering his attendants to clear out, he revealed his complete plan, "This action is truly very difficult, but Pingcheng is a place for using weapons, not a place for implementing civilian rule. There is no way at all to change the prevailing habits and customs. I am thinking about seizing the opportunity to move the capital to the Central Plain. What do you think?" Tuoba Cheng said, "If Your Majesty wants to move the capital to the Central Plain looking everywhere, this is precisely the successful experience that Zhou Chengwang and Han Guang Wudi obtained!" Emperor Xiaowen still was not without apprehensions, "The northern people will hold to the death to the old customs and will be reluctant to leave their native place. Certainly they will raise alarm and panic and riot. What do we do?" Tuoba Cheng answered, "The common people would not be able to think about doing these extraordinary things. Your Majesty needs only to make

a decision and what can they do?" Having received the support of this important minister in the imperial clan, Emperor Xiaowen was even more confident. He compared the city king to Zhang Liang, the brain-truster of the time who caused the Han Gaozu, Liu Bang, to decide to move the capital to Chang'an. Then Emperor Xiaowen also secretly deployed the Han nationality minister and shangshu Li Chong and others and ordered the troops to conduct training and made Li Chong responsible for selecting personnel. On 10 July, martial law was imposed in all of Northern Wei, there was a general troop mobilization, the southern expedition was formally announced, and it was ordered that laborers be dispatched to Yangzhou and Xuzhou near the southern dynasty border and soldiers be recruited. Ten days later, Emperor Xiaowen held a farewell ceremony in front of the ever-secure tomb of his maternal grandmother Queen Mother Feng and set off from Pingcheng leading a vast army of 300,000 troops south. The movement of the capital, called the "Southern Expedition," began here and, after undergoing twists and turns, finally was generally completed in two years.

When the movement of the capital had been concluded, Emperor Xiaowen began to adopt a series of more thorough sinonization measures, but the opposition party did not miss any opportunity to oppose them. On the second day of the twelfth month of the eighteenth year of Taihe, Emperor Xiaowen forbade the local citizens to wear the "native dress" (the dress of the Xianbei and other northern nationalities). The vast majority of the Xianbei people were unhappy and very many people did not carry out the order. For example, citizen Dong Yang (formerly King Dong Yang) and the taifu Tuoba Pi publicly wore the native dress and refused to change their clothes. On the nineteenth day of the third month of nineteenth year, taishi and mayor of the capital, Feng Xi took sick and died at Pingcheng. Feng Xi was Queen Mother Feng's older brother and Emperor Xiaowen's father-in-law. Tuoba Pi, who had stayed behind to guard Pingcheng had not approved of moving the capital and, in league with shangshu such as Lu Rui, requested that Emperor Xiaowen return to Pingcheng to participate in Feng Xi's funeral. Emperor Xiaowen saw through their intention and pointed out that they came out with this kind of plan when the capital was first moved and it was "an unrighteous way to entrap the monarch." He ordered that they be punished with demotion and put out an imperial edict that Feng Xi's coffin be brought to Luoyang for burial.

On the 26th day of the fifth month, Emperor Xiaowen officially announced another sinonization measure, "Stop speaking the Xianbei language and everyone speak the official language (Central Plain Chinese).

Perhaps it is difficult for people over 30 years of age to change all at once, but people under 30 years of age currently employed as officials in the imperial court are not permitted to speak the Xianbei language any more. If they deliberately do not change, they will be demoted or dismissed." On the second day of the sixth month, Emperor Xiaowen issued an official edict forbidding the use of the Xianbei language in the court. Violators would all be removed from office.

Not long before the king of Guangchuan took sick and died. His wife had died earlier and been buried at Pingcheng. Those concerned requested instructions about where he should be buried. Emperor Xiaowen again promoted a reform. All of the Dai (Pingcheng and its environs) people who had already moved to Luoyang should be buried on Mang Mountain north of Luoyang city. If the husband died before in Dai territory, the wife could be brought back for burial. If the husband died in Luoyang, he was not permitted to be brought back to Dai territory to be buried with his wife. On the nineteenth day of the sixth month, an edict was issued, "All of the common people who have moved to Luoyang who die will be buried in Henan. They must not be returned north for burial." Consequently, the native place of all those who had emigrated south was changed to Luoyang, Henan.

In the first month of the 20th year, Emperor Xiaowen took the most thorough step in the process of sinonization. He changed his own family name from Tuoba to Yuan. All the loyal servants from the old nationalities, including the Xianbei and other northern nationalities changed their surnames. For example, Baba was changed to Zhangsun, Daxi was changed to Xi, Yizhan was changed to Shusun, Qiumuling was changed to Mu, Buliugua was changed to Lu, Helai was changed to He, Duguan was changed to Liu, Helou was changed to Lou, Wuniu was changed to Yu, and Weichi was changed to Wei. The distinction between the surnames of the Xianbei and other nationalities and the Han nationality was eliminated at that point. At the same time Emperor Xiaowen used administrative means to encourage intermarriage between the Xianbei nationality and the Han nationality and ordered representatives from the four northern families with the highest status—Fanyang's Lu Min, Qinghe's Cui Zongbo, Xingyang's Zheng Yi, and Taiyuan's Wang Qiong—to send their daughters to the empress's palace. Li Chong came from a major clan of Longxi and joined sons and daughters with every major clan of high status. Emperor Xiaowen also received his daughter as an imperial concubine. He also issued an edict ordering his six younger brothers to remarry, intermarrying with Longxi's Li family, Fanyang's Lu family, Xingyang's Zheng family, and Dai Prefecture's Mu

family, respectively. Despite the fact that before this the Xianbei nationality and the Han nationality had already begun to intermarry, for example Emperor Xiaowen's maternal grandmother, Queen Mother Feng, was the first Han nationality woman established as the Northern Wei empress, intermarriage on this large a scale undoubtedly caused the Xianbei nationality lineage to no longer have pure blood lines, beginning from the Yuan imperial family.

Such severe measures, when they were promoted, naturally would not go without a hitch. But it would never have occurred to Emperor Xiaowen that the resistance would be led by his eldest son, Crown Prince Yuan Xun. As a result, the fifteen year old Yuan Xun was a pitiful sacrifice in the ruthless political struggle. To succeed in the reform, he had to give his own son.

Despite the fact that Emperor Xiaowen died two years later at thirty-three years of age, in the flower of his youth, his reform measures were not reversed and the most driving, most thorough sinonization by a non-Han holder of political power in the history of China ultimately was very thoroughly achieved. This kind of reform not only was unique in China, it even surpassed the Meiji Reformation recently conducted by our eastern neighbor, Japan. Although Japanese thinkers of the time proposed "getting out of Asia and into Europe" and wished that Japan could become part of Europe, they still retained the language, the surnames, and the race.

Over the years, the nomadic peoples living in northern China and outside the borders all wanted to enter the arable Han region. Whether they were captured or forced to move in or they came in as conquerors to become rulers of the country, they ultimately could not escape the fate of being conquered by the culture and their nationality was mixed together with the Han, not to mention the fact that there was almost no exception among the pre-Qin non-Chinese and the Huns, the Wuhuan, the Xianbei, the Chieh, the Dingling, the Tiele, the Turks, the Huige (Gu), the Shatuo, the Khitans, and the Nuchens after the Han. After the end of the Yuan, the Mongols and the Semu remaining in Ming Dynasty territory no longer survived as a race, and after the founding of the republic, population preserving their Manchu identity rapidly decreased. The dying out of these peoples was all essentially passive, and especially those people placed in a ruling status always had to devise every means to resist Han assimilation. But the rulers all had no way to resolve a doubly difficult choice. In order for their dynasty to reign peacefully for a long time, especially to rule the Han subjects, much more populous than their own people, they had to select the Han culture. To maintain the characteristics of their own people, especially to keep their own people from being

assimilated into the sea of Han people, they also had to adopt a series of measures and even exceedingly harsh legal methods. Beginning from Liu Yuan's Han kingdom in the Sixteen Kingdoms period, most of these non-Han people who established political power practiced "one country, two systems." For example, the Liao dynasty had northern officials and southern officials; the Jin dynasty had "meng an mou ke [3718 1344 6180 0344]" and established prefectures, counties, townships, and villages; the Yuan dynasty had different policies for the Mongols, the Semu, the Han, and the southern people; and the Qing Dynasty had different systems for the Manchus and the Hans. Precisely for this reason, despite the fact that these nationalities already had difficulty in the latter part of their rule to keep from being merged into the Han tide, they all persevered until the last instant and were not truly assimilated until after their state had perished and they had lost their power. Today, merging of nationalities appears to be extremely common. At that time, they all paid a bitter and huge price—repression and massacres at the beginning of conquest and bloody reprisals after the overthrow. In the most brutal ethnic revenge killing, the Chieh, who had ruled northern China, were almost wiped out, and even quite a few Han people who looked like Chieh were killed by mistake. The Qing Dynasty pheasant, after it entered the pass, issued an order and did not quite a few people's heads roll? And even Sun Yatsen brought up the "drive out Tartar tiger" slogan. If society had not progressed, after the demise of the Qing dynasty, how many Manchus would have had to make up for their ancestry?

Science & Technology

PRC: Pressure Vessel for Nuclear Reactor Passes Inspection

OW1707142996 Beijing XINHUA in English
1405 GMT 17 Jul 96

[FBIS Transcribed Text] Harbin, July 17 (XINHUA) — China's first 300 megawatt pressure vessel for nuclear reactors passed ministry-level evaluation here today, paving the way for building larger nuclear facilities in China.

The vessel is the core of a nuclear plant and should be able to run for 40 years under extreme conditions, with high temperatures, high pressure, and a high level of radiation. Only a few developed countries have the capability to produce such equipment, sources said.

The equipment is the result of four years of work by the China First Heavy-Duty Machinery Group Corporation, a big state-owned enterprise.

PRC: Heilongjiang Opens Experimental Information Network

SK1607072396 Harbin HEILONGJIANG RIBAO in Chinese 30 Jun 96 p 1

[By reporter Wang Baishi (3769 4101 4258)]

[FBIS Translated Text] Thanks to the one and a half years of preparation, the provincial scientific and technological information network was formally opened in Harbin on 26 June.

The network is the experimental network built by the state Science and Technology Commission, the only one of its kind in our country. Prepared and built by the information center of the state Science and Technology Commission, it is one of Heilongjiang's three major electronic information networks — administration, economy, and science and technology networks. Through public data exchanges, the network was connected with computers of localities, departments directly under the province, scientific research bodies, schools of higher learning, enterprises, and individuals throughout the province. Besides, it was loaded with 20-odd databases such as the database of Chinese patents, enterprises, and important scientific and technological results. Through the network, we can have access to the latest information at home and abroad, international communication, and queries for information.

PRC: National Conference on College Science Research Held

OW1707132396 Beijing XINHUA in English 1142 GMT 17 Jul 96

[FBIS Transcribed Text] Beijing, July 17 (XINHUA) — China's colleges and universities have won half of all the nation's natural science prizes given in the past five years.

One out of every three invention awards was given to colleges and universities during the Eighth Five-Year Plan (1991-1995).

Colleges and universities also won 550, or one fourth of the national awards for Science and Technology Progress, during the same period.

According to a national conference on college science and technology research, which opened this week in Beijing, over 600,000 people are actively involved in the fields of science, engineering, agriculture, and medical science on campuses, and 197,000 people in humane studies and social sciences. About 140,000 students seeking master's or doctor's degrees are participants in college science and technology research.

Colleges and universities undertook 90,000 research tasks from 1991 to 1995. Research expenses almost quadrupled during the Eighth Five-Year Plan. Colleges and universities received 4.7 billion yuan (about 566 million US dollars) for scientific research in 1995 alone.

The government has invested about 250 million yuan and 90 million US dollars in establishing 101 national key laboratories. Departments and local governments have jointly established a group of open laboratories and provincial key laboratories, which became bases of training high-level science and technology researchers, and conducting high-level scientific studies.

Currently another 27 national engineering and engineering technology research centers have been established, or are under construction in colleges and universities.

Military & Public Security

PRC: Commentator's Article on PLA Standardization, Part I

OW1507115796 Beijing JIEFANGJUN BAO in Chinese 25 May 96 p 1

[“Commentator's article”: “To Run the Army Strictly, It Is Imperative To Study and Implement Well Rules and Regulations—First Talk on Exerting Great Efforts To Elevate the Army's Administrative Level of Standardization”]

[PTS Translated Text for FBIS] Central Military Commission [CMC] Chairman Jiang has stressed the need to strictly administer the army on many occasions, and has explicitly pointed out: “No collective can possibly be run well without a sense of organization discipline. In particular, it would be impossible for us to administer our army well without introducing strict management and observing iron discipline.” To resolutely implement the gist of Chairman Jiang's instruction and strictly administer the army according to the law, we must standardize the army's various orders, as well as all the conduct of all army men, with rules and regulations, with a view to ensuring that our army can always maintain strict discipline, a fine work style, a regular sequence of work, and a sound image.

Giving concentrated expression to the true quality and special features of the People's Liberation Army [PLA] as well as to the law that guides army building, the series of rules and regulations promulgated by our army enjoy a distinct political nature, a high degree of authority, and scientific standardization; and, therefore, serve as the code of conduct for the officers and men of the whole army, and furnish the essential basis for our efforts to strictly administer the army and

reinforce its standardized management. Through their study and implementation of the rules and regulations over the past several years, all troops have effectively improved their work style and heightened their sense of discipline. At the same time, however, we must be aware that a number of units have slackened their efforts in studying and implementing the rules and regulations, a considerable number of officers and men know very little about the contents of these rules and regulations, and the sense of rules and regulations has been weakened. This is one of the major factors leading to sloppy management as well as to offenses and accidents against discipline in some troops.

To strictly standardize our troops' various orders and the conduct of army men with rules and regulations, first of all, we should conscientiously master the rules and regulations that center around the Armed Forces' common regulations. This is because the common regulations frequently use basic regulations that cover a wide range of fields and are implemented extensively, and play an important role in guaranteeing the implementation of other rules and regulations. All troops should conduct in depth the education of rules and regulations in line with CMC and PLA Headquarters arrangements; and should help the vast numbers of officers and men enhance their sense of, familiarize themselves with the contents of, master the significance and functions of stipulations carried by, and consciously act in accordance with the rules and regulations. On the contents issue, we should focus our attention on mastering and keeping in mind stipulations on our own duties, routine systems, and the code of conduct; on the personnel issue, we should concentrate on the work of cadres and key members, and the work of leading organs in particular; and on the habit cultivation issue, we should regularize our day-to-day work and the order of life in strict accordance with rules and regulations. Only by keeping in mind and thoroughly mastering the contents and spirit of rules and regulations can the administrative organs provide correct work guidance in strict accordance with rules and regulations; can the troops perform their normal functions in strict accordance with rules and regulations; and can officers and men standardize their conduct in strict accordance with rules and regulations with a view to maintaining the regular order of war preparedness, training, work, and life.

The stress of study of rules and regulations should be placed on making study serve a practical purpose. In our efforts to implement the principle of administering the army strictly under the present new situation, we should add greater weight to the rectification of the current sloppy management and reinforce the building of work style and discipline of the troops according

to rules and regulations. One of the reasons leading to the current sloppy management and slack discipline of certain units is their failure to observe or enforce the law strictly. In a bid to carry out in depth the education of rules and regulations, all levels should conscientiously analyze the work style and discipline observation of their subordinate units, locate the key problems that need to be resolved, and carry out education and rectification in the light of existing problems; in exercising management over its directly affiliated detachments and small units scattered in remote areas, they should clearly define the management responsibility of the latter, and reinforce routine inspection and supervision; in dealing with units plagued by the serious problem of slack management, they should focus their attention on rectifying key facets of work by conducting investigation and study at selected spots, giving help and setting an example in training new hands, and adopting necessary organizational readjustments; they should organize special-purpose rectification of the tendentious problems currently existing with troop management, and earnestly handle various discipline violations so as to strictly enforce laws and discipline; they should attach great importance to the garrison of cities, and regard the work as a major measure for reinforcing the management of urban garrisons, so that all troops can execute orders and proclaim prohibitions, obey orders in all their actions, and maintain a high-degree of stability and a centralized unification.

Efforts to strictly administer the army and act in strict accordance with rules and regulations should be based on a high degree of consciousness of officers and men. To strictly administer the army, on the one hand, we should resolutely redress the phenomenon of failing to observe and enforce the law strictly. On the other hand, we should persistently uphold ideological education as a guidance; state the reasons clearly; and adopt the method of patient persuasion, inspiration, and consciousness. Our cadres and soldiers have a sound military and political quality; so long as we persistently integrate strict requirements with patient persuasion and education, the practice of acting in strict accordance with rules and regulations will surely become the conscious action of the vast numbers of our officers and men.

PRC: Commentator's Article on PLA Standardization, Part II

*OW1507115896 Beijing JIEFANGJUN BAO
in Chinese 26 May 96 p 1*

["Commentator's article": "Leadership and Organizations Must Play an Exemplary Role in Studying and Implementing Well Rules and Regulations—Second Talk

on Exerting Great Efforts To Elevate the Army's Administrative Level of Standardization"]

[PTS Translated Text for FBIS] The work of implementing rules and regulations should start with leaders and administrative organs from beginning to end. This is an issue that needs to be particularly stressed in our efforts to persistently administer the army in strict accordance with rules and regulations.

Shouldering major leading responsibilities, leaders and administrative organs at all levels are the executors of rules and regulations on the one hand, and the leaders and organizers of the troops' study and implementation of rules and regulations on the other. To bring up highly disciplined troops that enjoy a fine work style, a regular sequence of work, and a sound image, leading cadres and administrative organs at all levels should have a high sense of rules and regulations, be good at strictly administering their troops with rules and regulations, and use rules and regulations to incorporate their numerous troops into a fighting collective that has a unified will and acts in unison. If leaders and administrative organs execute rules and regulations at their discretion or regulate people by using their power instead of the law, they will hinder the vast numbers of officers and men from facilitating an orderly operation in accordance with rules and regulations.

Leaders and administrative organs are also among the objects to be regulated by rules and regulations. Everyone of us has the duty to implement rules and regulations and to do anything by rule; and everyone of us should be subjected to the restriction of strict discipline, no matter whether he is an officer or a soldier, at a high or low level, a newcomer or an old hand. If there is any difference here, it is the higher and more strict requirements for leaders, administrative organs, and cadres. Comrade Deng Xiaoping has pointed out penetratingly: "It is extremely important for our leading cadres, especially senior cadres, to play an exemplary role. The masses should always judge the performance of cadres by their deeds, not just by their words." The deeds and images of both leaders and administrative organs have a very strong demonstrating and influencing power on the implementation of rules and regulations. Therefore, leaders and administrative organs at all levels should enhance their sense of playing exemplary roles; take the lead in safeguarding the authority, solemnity, and standardization of rules and regulations; and set an example for the troops in obeying orders and commands, fulfilling duties, and strictly observing discipline and stipulations.

Stressing the need for leaders and administrative organs to play an exemplary role in executing rules and

regulations is, in essence, an issue concerning their devotion to work, their sense of responsibility, and their mental state. It is for the aim of attaining superiority over others that we will continue to maintain a mighty army for a considerably long time to come. This requires leaders at all levels to display their strong enterprising initiative and a high sense of responsibility, pay close attention to the study and implementation of rules and regulations with the spirit of working conscientiously and a rigorous work style of doing solid work, and never slacken their efforts to the slightest degree. It is imperative to implement the spirit of rectifying incorrect work styles; pay continued attention to the education and rectification of the ideology, work style, and discipline of leaders and administrative organs at the regimental level and above; check up on ideology, work style, discipline, and system; resolutely redress such unhealthy trends as sloppy management, slack discipline, and negligent work style; and earnestly meet the Central Military Commission leaders' requirement that one should develop a spirit with which he will always feel uneasy even when eating and sleeping if rules remain unimplemented. Leaders and administrative organs at all levels should earnestly strengthen the organization of and the leadership over management education work; take responsibility for bringing along their subordinates' work; do solid work in a down-to-earth manner; engage in less entertainment; cultivate a sound work style with which people always tell the truth, report the real situation to higher authorities, carry out their work in a down-to-earth manner, and strive for tangible results; constantly promote the implementation of rules and regulations; and see to it that the practice of administering the army in strict accordance with the law will become the order of the day.

PRC: Commentator's Article on PLA Standardization, Part III

*OW1507120696 Beijing JIEFANGJUN BAO
in Chinese 27 May 96 p 1*

[Commentator's Article: "The Key to Implementing Rules and Regulations Lies in Adherence—Third Talk on Exerting Great Efforts To Elevate the Army's Administrative Level of Standardization"]

[PTS Translated Text for FBIS] The essence of standardization is the application of rules and regulations. To enhance our army's administrative level of standardization, one major issue is to devote great efforts to turning the implementation of rules and regulations into a regular practice. Only by attending to our work with unremitting efforts can we make it a lasting practice to strictly administer our army.

Standardized administration refers to the practice of leading the troops with rules and regulations. To reinforce the combat will of officers and men, maintain the army's fine work style and strict discipline, and withstand various tests and trials under the present new situation, we should perseveringly pay close attention to the implementation of rules and regulations. A Central Military Commission leader once stressed: "We should repeatedly attend to the implementation of rules and regulations. We will not attain any results in our work if our efforts in this respect fail to be repeated 1,000, or even 10,000, times." Leaders at all levels should attach great importance to this issue, and take earnest steps to turn the implementation of rules and regulations into a regular practice.

It is necessary to carry out centralized education and rectification concerning the implementation of rules and regulations in the light of a number of tendentious problems during a certain period. However, such "shock tactics" cannot replace regular attention, while the settlement of key problems in certain aspects cannot take the place of a comprehensive implementation of rules and regulations. Many tasks cannot be fulfilled overnight, including the cultivation of our troops' discipline and work style and the enhancement of army men quality. Even if shock tactics do resolve some "long-standing, big, and difficult problems," we still need to pay regular attention to consolidate the results of the centralized education and rectification. This is because by paying regular attention, we can promptly locate and resolve problems in the embryonic stage, and effectively prevent small mishaps from growing into big disasters.

To devote great efforts to turning the implementation of rules and regulations into a regular practice, we need to correctly handle the relationship between restriction and consciousness. Our army's nature and aim have determined that the strict execution of rules and regulations should be based on persuasion and education and on inspiration and consciousness. Only by arousing all officers and men and enhancing their consciousness can we turn the implementation of rules and regulations into a regular practice. When doing this, we should also focus our attention on key links. We should not only educate and illuminate officers and men as to what they should do, but also let them know why they should do so; meanwhile, we should also combine the implementation of rules and regulations with the enhancement of consciousness, avoid the simple practice of "taking one's seat according to the number on the ticket," and facilitate the organic integration between the regular attention paid by leaders and the conscious actions taken by officers and men. Only in this way can we get twice the result with half the efforts.

Every rule and regulation is an order. To devote great efforts to turning the implementation of rules and regulations into a regular practice, we need to carry through rules and regulations down to every facet of our work. It is important to uphold the enclosed management of barracks. The essence of enclosed management is to observe the special law of army building, and administer our troops in strict accordance with rules and regulations. We should persistently integrate the study with application, master and apply rules and regulations to our daily work and life, and correct the erroneous tendency of studying rules and regulations for the sole purpose of passing assessment; meanwhile, we also need to seek unity between training and cultivation, put in a lot of effort to the latter, and redress the deviation that training is for the sole purpose of performance and competition.

To devote great efforts to turning the implementation of rules and regulations into a regular practice, those in command of troops should not only take a correct guiding ideology toward their work, but should also improve their work style, and take great pains to ensure a successful implementation of the large numbers of concrete rules and regulations. They should be hard-working and diligent, and make more use of their brains and legs, so that they can check, discover, and settle problems existing in the implementation process of rules and regulations in any place, at any time; they should be meticulous with their work in line with the requirement of every rule and regulation, refrain from getting things done in a slapdash manner, and take everything seriously all the time; and they should work in a down-to-earth manner, seek unity between form and content, and uphold necessary forms while guarding against formalism and deception.

PRC: Lanzhou Military Region Improves Transportation

OW1407145596 Beijing JIEFANGJUN BAO
in Chinese 20 May 96 p 1

[Report by Ma Sancheng (7456 0005 2052) and reporter Zhang Zhanhui (1728 0594 6540): "Great Leap Forward in Northwest Military Transportation, Traffic—Lanzhou Military Region Comprehensively Improves Transportation, Mobile Guarantee Capacity"]

[PTS Translated Text for FBIS] The Lanzhou Military Region [LMR] has comprehensively and successfully tackled a series of long-standing problems concerning road transportation, goods storage, and technical guarantee over the past four consecutive years. Statistics obtained in early May show that the region's combat, border defense, and transportation units were the first to attain the army's goals concerning military transportation,

military vehicle maintenance, and military transportation personnel training. The region's vehicles maintenance and goods storage rates have reached 90 and 100 percent respectively.

After inspecting some 11 northwest units at and above division level, a General Logistics Department Military Transportation and Traffic Department work team concluded: The LMR has basically attained military transportation and traffic goals by comprehensively building infrastructure facilities, perfecting and enforcing rules and regulations concerned, keeping vehicles in good technical conditions, and improving mobile guarantee capacity.

An army commander told these reporters: "Should we fail to maintain vehicles well, the troops would be unable to reach the battlefield on time. If so, how would they demonstrate combat effectiveness?" According to LMR Logistics Department Director Chen, the region's military transportation and traffic work has attained four principal goals and annually raised performance rates concerned by two percentage points for four consecutive years. The situation in which the northwest "had vehicles but no garages, had vehicles to train drivers but no training sites, and lacked vehicle maintenance materials" has now become history.

The LMR is located on both plateaus and deserts. Its troops are stationed in scattered and remote areas. Every year, the region has to transport the troops a total of over 300 million kilometers. Due to bad road conditions, the region's vehicles often broke down in the past. This has adversely affected the region's mobile guarantee capacity. A few years ago, some units tried to improve local and departmental transportation and traffic conditions, but did nothing to comprehensively improve the region's transportation and traffic conditions. As a result, though money was spent and efforts made, the region's transportation and traffic conditions failed to improve by a large margin.

In the Eighth Five-Year Plan period, the region cultivated a new train of thought for transportation and traffic work; conscientiously implemented the "Outline on Regularization of Army Transportation and Traffic Work," a document issued by the General Logistics Department; comprehensively improved region-wide transportation and traffic conditions; and realized three transformations as well, namely, improving overall transportation and traffic conditions rather than local and departmental transportation and traffic conditions; improving overall transportation and traffic conditions rather than certain key units' transportation and traffic conditions; and comprehensively raising transportation and traffic efficiency instead of rashly resolving certain

transportation and traffic problems. Besides, the region also made efforts to comprehensively tackle problems relating to military transportation and traffic systems, vehicle usage, and technical personnel training; concentrated efforts on building infrastructure and other facilities; perfected and implemented relevant rules and regulations; restored and stabilized military vehicles' technical conditions; and improved personnel quality as well. Every year, the region also sends units concerned to explore ways and means of providing rapid and mobile guarantees for troops under different distances above sea level and under harsh climates. As a result, the region has comprehensively improved transportation and mobile guarantee capacity by a large margin.

PRC: Circular Requires Military Units To Study Jiang's Speech

*HK1807012796 Beijing JIEFANGJUN BAO
in Chinese 24 Jun 96 p 1*

[Report from Beijing on 23 June: "General Political Department Issues Circular Requiring Whole Army To Conscientiously Study and Implement General Secretary's Important Speech and Further Strengthen Development of Military Cadres"]

[PTS Translated Text for FBIS] The General Political Department issued a circular today requiring the whole army, party committees, and political organs at all levels to organize units to conscientiously study and implement General Secretary Jiang Zemin's important speech delivered at a forum to mark the 75th anniversary of the CPC's founding.

The circular noted: General Secretary Jiang Zemin's speech expounded profoundly, from an overall and strategic viewpoint, the paramount importance of developing a contingent of high-quality cadres and further defined the guiding ideas, major tasks, and basic requirements of the cadres both at present and in the future. It pointed out not only the orientation of the cadres' work under the new situation, but also the path of growth for a broad spectrum of cadres, particularly the young ones. His speech is of great guiding significance to continuing to enhance party building under the new situation; strengthening the development of leading bodies at all levels and of a contingent of cadres from units; ensuring the party's absolute leadership over the army; and promoting the development of a modern revolutionary and regular army.

The circular stressed: Party committees and political organs at all levels should conscientiously study the spirit of his speech and should increase a sense of urgency in intensifying the army's development. Party committees at and above the regimental level should find time

to conduct discussions. They should integrate the study of General Secretary's speech with the study of Mao Zedong's and Deng Xiaoping's relevant expositions as well as Comrade Jiang Zemin's instructions on strengthening the development of a contingent of party cadres. They should also study his speech in light of the actual situation regarding the development of leading bodies and cadres from their units. Party committees at all levels should take the implementation of the spirit of General Secretary Jiang Zemin's speech as concrete action taken to implement the requirement on stressing politics. They should adopt effective measures to carry out this major task that has a bearing on the overall situation of the army's development. Cadres at all levels, notably the high- and mid-level ones, must get a clear understanding of their historic responsibility, the requirements of the times, and the party's and the people's expectations of them so as to constantly increase their political awareness of studying hard.

The circular demanded: Party committees and political organs at all levels must earnestly analyze the present situation regarding the cadres and leading bodies, sum up experience in cadres' appointment and training, and better implement the principle and policy of their selection and appointment. In accordance with General Secretary Jiang Zemin's requirements and with the Central Military Commission's regulations and measures, they should select and appoint the right cadres to leading bodies at all levels and assign the outstanding ones—who genuinely obey the party's orders, who are competent with a good workstyle, and who are accepted by the people—to leading posts at all levels. It is essential to strengthen education and training for young cadres and to be bold in promoting and appointing the outstanding ones in accordance with General Secretary Jiang Zemin's requirements on "studying hard, working diligently, making bold innovations, and conscientiously making contributions."

The circular pointed out: Since the beginning of this year, party committees and organs at and above the regimental level have conducted centralized education in ideology, workstyle, and discipline. All units should pay attention to the experience in using centralized education and should step up the regular education and management of cadres. In line with General Secretary Jiang

Zemin's instructions on "strict requirements, management, and supervision," party committees at all levels should genuinely exercise the supervision of cadres and constantly increase the strength of cadres' education and management. They should educate and guide high- and mid-level cadres to be strict in exercising self-restraint and to establish a good image of being hardworking and

honest. It is also essential to actively publicize outstanding party cadres who practice the party's goals and have close ties with the masses. Those cadres that violate law and discipline must be dealt with severely.

PRC: Jiang Zemin Meets Armed Police Representatives

*OW1707131196 Beijing XINHUA in English
1231 GMT 17 Jul 96*

[FBIS Transcribed Text] Beijing, July 17 (XINHUA) — Chinese President Jiang Zemin met in Beijing today with those attending the enlarged Party committee meeting of the Chinese People's Armed Police Force.

The meeting opened yesterday and discussed Jiang's speeches on attaching importance to politics, and on enhancing quality of Party officials. It also aimed at strengthening the education and management of middle and high-ranking officers of the force.

Jiang is also chairman of the Central Military Commission, and general secretary of the Chinese Communist Party Central Committee.

With Jiang were Premier Li Peng, Vice-Chairman of the Central Military Commission Liu Huaqing, and Hu Jintao, member of the Standing Committee of the Political Bureau and the secretariat of the CPC Central Committee.

PRC: Jiang Reportedly Tries To Reassert Authority Over PAP

*HK1807055096 Hong Kong SOUTH CHINA
MORNING POST in English 18 Jul 96 p 10*

[By Willy Wo-Lap Lam]

[PTS Transcribed Text for FBIS] President Jiang Zemin has tried to reassert authority over the People's Armed Police [PAP].

At a meeting of the Communist Party committee of the paramilitary police yesterday, senior PAP officers pledged to "seriously study and implement" Mr Jiang's teachings about "paying more attention to politics".

The slogan is generally taken to mean being obedient to the party central authorities with Mr Jiang as its core.

PAP leaders, including their Commander, General Yang Guoping, undertook to strengthen the education and management of senior and mid-ranking officers.

Mr Jiang, also Chairman of the Central Military Commission, is the titular head of the armed police.

However, his influence in the PAP suffered a blow when a key protege, General Ba Zhongtan, was forced to resign as commander earlier this year.

General Ba, a member of the so-called Shanghai Faction, was blamed for lax management which resulted in a young PAP guard murdering a vice-chairman of the National People's Congress, Li Peiyao, in February.

Moreover, the planned expansion of the PAP from about one million to 1.5 million officers was temporarily stopped.

Military observers pointed out that Mr Jiang had wanted the PAP to become a force with special loyalty to himself.

The analysts said, however, that after the General Ba debacle, Mr Jiang had clawed back some territory by transferring several Shanghai officers to PAP headquarters.

Meanwhile, national meetings on the work of security guards in the army, the PAP and the police were also held in Beijing yesterday.

Ren Jianxin, the head of the party's highest security organ, the Political and Legal Affairs Commission, called upon the guards of different units to "tighten their security procedures".

Western diplomats said the military and police forces had recently witnessed a series of embarrassing security incidents.

These included failure to adequately protect state leaders and leakages of "state secrets".

Mr Jiang also met participants in the security conferences.

A key Jiang aide, Zeng Qinghong, who is head of the party's General Office, took part in the conclaves, an indication that he is playing a bigger role in security matters.

***PRC: Journal Features Police Close-Quarters Weapon**

96P30224A Beijing BINGQI ZHISHI [ORDNANCE KNOWLEDGE] in Chinese 15 May 96 No 5, p 4

[Article by Lin Maoxiang (2651 5399 4382): "PRC-Produced Combined Dagger, Tranquilizer Gun]

[FBIS Translated Text] When involved in field work, modern police often encounter situations at crowded locations in which they must engage in unarmed combat. In such circumstances, if the police were to use ordinary firearms, they might easily shoot violent criminals to death, thereby severing the chain of evidence in a case. They might also accidentally harm innocent bystanders, causing considerable harm. Because of this, based on the BBQ-901 tranquilizer gun, China has developed the BMQ combined dagger and tranquilizer gun. One can

use its dagger for hand-to-hand combat, or one can use it to shoot tranquilizer darts, catching criminals unaware. Thus, the "punishment" (that is, being knocked out) fits the crime.

With ordinary dagger-guns, in addition to the fact that one can stab with the knife blade, in times of need one can fire bullets to kill or wound living targets. However, the outstanding feature of the BMQ dagger-tranquilizer gun is that when one is not stabbing with the blade, one can capture a live target, rather than killing him. The weapon combines the advantages of a dagger and a tranquilizer gun. A combination of a knife with a gun and a firearm with a pharmaceutical forms an extremely useful and very readily concealed close-quarters special weapon for police, public security, and other public order personnel to use to apprehend criminals and violent offenders.

The structure of the BMQ dagger-tranquilizer gun is simple. Its design is rational, its operation is convenient, and the movement of its mechanism is safe and reliable. It fires specially-designed injecting tranquilizer darts. The caliber of the gun is 12.7 mm, and it weighs 0.39 kg. It is very accurate within a range of five meters, and at 10 meters the tranquilizer darts can penetrate winter clothing or leather. When the dagger is extended, it is 295 mm in length, and it is 177 mm long when the blade is folded in. It uses a two round, chamber-type ammunition feed, with a precision-made two-round magazine. The magazine can be clipped to clothing like a fountain pen.

The structure of the BMQ dagger-tranquilizer gun is composed of three main parts — a dagger-gun body, a trigger ring, and a hammer — and 15 other components, including a dagger blade, gun barrels, an outer casing, and so forth. The dagger-gun body is the most fundamental part of the weapon. It is the main part linking the trigger and hammer with the dagger blade, gun barrels, outer casing, and other components. The function and movement of all other parts is related to the body.

The BMQ dagger-tranquilizer gun, when carried under normal circumstances, has its blade folded into the handle. When using the weapon, one presses one's thumb against the blade rotation axle cap on the front of the handle parallel to the guard, whereupon the dagger, impelled by a spring, rotates into its combat position. The trigger is located on the bottom of the handle; one uses the index finger to squeeze the trigger and can shoot two projectiles at one time. Loading the gun is also relatively simple. One uses the thumb to push forward the gun barrel lock catch, whereupon one can pull the barrels out of the front of the handle. One then takes the

tranquilizer darts out of the magazine and loads them into the rear part of the barrels, and then one pushes the barrels back into their original position, locking them in place with the catch. Then one can squeeze the trigger and fire the darts.

The gun can fire its tranquilizer darts whether the blade is extended or folded into the handle. When the blade is folded in, it can be worn in a specially made sheath, and it can be worn in the belt in a relatively concealed manner.

The BMQ dagger-tranquilizer gun comes with specially-made tranquilizer darts and training rounds. The tranquilizer darts consist of the dart itself and a plastic cartridge. The dart consists of the needle base, needle tubing (within the tubing there is an anther sac, an injection plunger, and a firing tube), and an end stopper. The plastic cartridge is composed of a hollow projectile and a red plastic casing, which is the crucial component that joins the 5.6-mm hollow projectile with the 12.7-mm gun barrel.

When the gun is fired, the hollow projectile in the plastic cartridge is triggered, and gas from the gunpowder pushes the dart out of the plastic cartridge and then out of the gun barrel. When the dart hits its target, the firing pin within the firing tube in the dart (the equivalent of the detonator in an artillery shell) is triggered, igniting the explosive and the injection powder, creating high pressure in the rear of the dart (and the needle tubing), which pushes the injection plunger which in turn crushes the anther sac, causing the liquid tranquilizer drug to rapidly flow out of the needle and into the target, quickly completing injection. After the tranquilizer has entered the body of the target, depending on the efficacy of the tranquilizer and the reaction of the living being to the drug, within a short time it takes effect. The target hit by the dart enters a sleep-like state for a certain period, and then naturally regains consciousness later on. Within the actual dart portion of the tranquilizer dart, the weapon employs a specially-made cylindrical, thin-membrane anther sac, containing a precise volume of tranquilizer. This technology is superior to other types of injection-type temporarily loaded tranquilizer darts, having a comparatively long shelf-life. Therefore it has relatively good qualities for use in service.

With the constant change in the circumstances of public order, the BMQ dagger-tranquilizer gun will play an undeniable role in preventing and combating riots within and outside of China.

PRC: Ren Jianxin Addresses National Security Guard Conference

OW1707135796 Beijing XINHUA in English
1334 GMT 17 Jul 96

[FBIS Transcribed Text] Beijing, July 17 (XINHUA) — Ren Jianxin, a member of the Secretariat of the Central Committee of Communist Party of China emphasized that security guard work requires strict management and that every security guard should be loyal to the party and country.

Ren was speaking at the closing session of the 9th National Security Guard Conference here today.

He urged public security police, armed police, and the PLA, which are on the front line of security work, to tighten their security procedures, and said that a single accident is not permissible.

Ren also called on party organizations and government at various levels to improve administrative work with security guards, and asked every security guard to make new contributions to social stability and the smooth reform of the economy.

Different ways to improve security work were also discussed at the conference.

General Secretary of the CPC Central Committee Jiang Zemin, Premier Li Peng, Vice-Chairman of the Central Military Commission Liu Huaqing, and Hu Jintao, member of the Standing Committee of the Political Bureau of the CPC Central Committee, met here with those attending the conference.

PRC: Heilongjiang Holds Meeting on Military Training Achievement

SK1507100196 Harbin HEILONGJIANG RIBAO
in Chinese 29 Jun 96 p 1

[By Liu Xuedong (0491 1331 2639)]

[FBIS Translated Excerpt] On the morning of 28 June at No. 5 detachment of the provincial armed police corps, the Heilongjiang Provincial armed police corps held a meeting to report back on military training achievements in "four aspects." A written speech by Yue Qifeng, secretary of the provincial party committee, was read at the meeting. Present at the meeting were Zhang Yuerong, deputy chief of the staff of the provincial armed police corps; Sun Weiben, chairman of the standing committee of the provincial people's congress; Yu Jingchang, standing committee member of the provincial party committee and political commissar of the provincial military district; Meng Qingxiang, vice chairman of the standing committee of the provincial

people's congress; and Dai Moan, vice chairman of the provincial committee of the Chinese People's Political Consultative Conference. [passage omitted]

Under the leadership of the Chinese people's armed police force, the provincial party committee, and the provincial government, the provincial armed police corps have persistently taken Comrade Deng Xiaoping's thinking regarding the army building in the new age as a guiding principle; and observed the guidelines of the Central Military Commission Chairman Jiang Zemin's instructions on "being politically qualified, having a perfect mastery of military skills and fine work styles, and being strictly disciplined and forcefully guaranteed." According to the Chinese people's armed police force's guiding ideology on education and training, the provincial armed police corps bravely reformed its training methods; created a Heilongjiang-style Chinese boxing; improved 131 military training facilities; and applied advanced training appliances, such as laser simulated appliances [jiguang moni qi 3423 0342 2875 2362 0892] and motor-driven target shooting equipment, thus effectively upgrading the quality of training and improving the policemen's ability in performing their duties and dealing with incidents.

Over the past years, the provincial armed police corps sent 3,128 officers and men to support the "severe crackdown" campaign and the activities of combating disasters and dealing with emergency, helped public security organs arrest 1,961 criminal offenders, and satisfactorily fulfilled the tasks assigned by the provincial party committee and government.

PRC: Hebei Holds Meeting on Crackdown Struggle
SK1507110796 Shijiazhuang HEBEI RIBAO
in Chinese 1 Jul 96 pp 1, 2

[FBIS Translated Text] With an approval of the party Central Committee, a national meeting has been held in Chengde on developing the crackdown drive in a deepened and sustained manner and on stepping up the foundation work for the comprehensive management of public security.

This meeting's main task was to address and study the spirit of the central authority's important guidance; sum up and exchange the experiences of the previous-stage crackdown struggle and of reinforcing the foundation work for the comprehensive management of public security; study and resolve existing problems; and make specific arrangements to achieve success in the third battle of the unified action of the crackdown drive, to develop the crackdown struggle with unremitting efforts and to consolidate the foundation work for the comprehensive management of public security.

The party Central Committee attached great importance to the crackdown drive and its sustained development. On 19 and 20 June, the Standing Committee of the Central Political Bureau and the Central Political Bureau heard the report made by the Central Political and Legal Commission on the crackdown drive situation in the previous stage and on the ensuing work. They made many important guidances. Also, Comrade Jiang Zemin has recently made some important comments on how to successfully convene this meeting.

Shu Huaide, member of the Central Committee for the Comprehensive Management of Public Security and secretary general of the Central Political and Legal Commission, addressed the key points of the important guidances made by the Central Political Bureau Standing Committee and the Central Political Bureau on the current crackdown struggle and on consolidation of the foundation work for the comprehensive management of public security.

Since the central authority set the important policy on developing the unified action of the crackdown drive across the country, party committees and governments at all levels had immediately made arrangements, and top party and government leaders had conducted the task personally. With speedy actions, progress was made smoothly, and the results conspicuous. A number of major cases with bad nature and evil influence were consecutively cracked. A large number of serious criminals, including some criminals on the run, were seized. A number of law-violating cliques, including some cliques with underground features, were eliminated. A number of entertainment places, engaging in illegal activities, were banned, and a large number of illegal guns, ammunitions, and incisive tools were seized.

Ren Jianxin, member of the Central Secretariat, secretary of the Central Political and Legal Commission, and chairman of the Central Commission for the Comprehensive Management of Public Security, pointed out at the meeting: The unified action of the crackdown drive nationwide progressed smoothly, ushered in a great momentum, and upgraded quality. The results far exceeded our expectation. The crackdown drive stroke blows to crimes, rectified public security, and played an active part in maintaining public security. All fields of society enthusiastically supported it; people clapped their hands with joy; and the international community reacted favorably to it. This should be mainly attributed to the fact that party committees and governments at all levels attached great importance to it; the leadership of organizations was powerful; and all the departments of judicial, procuratorial, and public security sectors made all-out efforts. With careful organization, giving priority

to key points, and great propaganda impetus, the drive's direction and results were good.

Ren Jianxin said: In light of the overall arrangement of the unified action of the crackdown drive, all localities have consecutively launched two battles in late April and late May, and now they are launching or will launch the third one. Going even deeper than the former two battles, this battle is to tackle the most difficult problems. This is a battle crucial to whether the crackdown drive can achieve the expected results. Party committees and governments at all levels should intensify their leadership over the crackdown struggle as it progresses. Their leadership over the third battle should be especially strengthened to prevent the situation of a good start but a poor finish.

In connection with the planning of the third battle in a specific manner, Ren Jianxin set forth the following requirements: It is imperative to mobilize the broad masses of people more extensively. So the cadres and workers of all departments and all units and the grass-roots people in urban and rural areas can be mobilized to provide clues and report against criminals. All kinds of prevention systems should be established, and any possibility of crimes should be eliminated. New breakthroughs should be achieved in resolving major cases. It is imperative to organize special forces to pursue major criminals on the run, and make more efforts to do the work related to criminals' relatives and insiders. In particular, we should achieve success in the work of grass-roots cadres and inner personnel, and educate them with party and government disciplines to strengthen their active coordination with judicial, procuratorial, and public security organs with an aim of encouraging criminals on the run to give themselves away. Powerful and effective measures should be taken to locate well-hidden criminal cliques and evil gangsters, especially those having a connection with the province's public security sector. In some cases, the upper departments in charge should send work committees to supervise the progress of handling cases with a view to accelerating preliminary hearings, arrests, prosecutions, and trials. Thus, serious criminals seized in the crackdown drive can be strictly punished expeditiously, and, thus, people can see more results.

Ren Jianxin emphasized: Through the unified action of the crackdown drive, all localities should basically fulfill the following major targets: First, fairly great progress should be made in resolving major cases, pursuing escaped criminals, and smashing cliques. Second, some localities with public disorder will be effectively rectified, public security remarkably improved, and all fields of society fairly satisfied. Third, conspicuous public security problems and ugly phenomena in society should be initially resolved. Fourth, the rampant arrogance of

criminals should be weakened; people's sense of security should be reinforced; and the initiative to fight against criminals should be increased. When talking about developing the crackdown drive with unremitting efforts and paying firm attention to the comprehensive management of public security, Ren Jianxin said that fighting against crimes is a long-term and arduous task, we should pay firm attention to it time and again, fight a protracted war, and stick to it with unremitting efforts. The nationwide unified action, like the one we are having now, should be developed once in a while depending on the need of public security. Judging from the long-term situation, to really resolve public security problems, we still have to carry out all measures in the comprehensive management of public security, and this is the basic way out for achieving a long-term peace in society.

Ren Jianxin urged all localities to pay attention to the crackdown drive on the one hand, and pay attention to the implementation of all measures in the comprehensive management of public security on the other hand.

Yan Liansong, deputy secretary of the provincial party committee and governor, extended congratulations to the meeting on behalf of the provincial party committee and government. Introducing the progress of all undertakings of our province, he pointed out that Hebei is located adjacent to the capital, shouldering a heavy responsibility for maintaining stability. All tasks of Hebei will be energetically pushed forward owing to this meeting. It is imperative for us to take this opportunity to learn from the practices and experiences of other province, municipalities, and autonomous regions, correctly handle the relationship between reform, development, and stability, and make unremitting efforts to maintaining stability. Liu Baoquan, secretary of the Chengde city, made a speech to the meeting on behalf of the city party committee, city government, and people of Chengde.

Zhang Siqing, vice chairman of the Central Committee for the Comprehensive Management of Public Security and chief procurator of the Supreme People's Procuratorate, presided over the meeting today.

Leading comrades in charge of the political and legal work and comrades in charge of public security departments, procuratorates, and courts in all provinces, autonomous regions, and municipalities attended the meeting. Also attending the meeting were leaders from departments concerned of central and state organs, such as Jia Chunwang, Tao Siju, Xiaoyang, Gao Changli, and Liang Guoqing, and provincial party committee Deputy Secretary Xu Yongyue and Vice Governor He Shaocun.

***PRC: Guangxi AR Details 1995 Criminal Prosecution Activity**

96CM0391A Nanning GUANGXI RIBAO in Chinese
11 Apr 96 p 5

[Report to the Fourth Session of the Eighth Guangxi AR People's Congress on 27 January 1996 by Guangxi AR People's Prosecutor General Wei Jianeng (7279 1367 5174): "Work Report by the Guangxi Zhuang AR People's Prosecution Department (Summary)"]

[FBIS Translated Text] In 1995, prosecution organs throughout Guangxi worked under the leadership of the Guangxi Party Committee and Supreme People's Procuratorate [Prosecution, or Justice Department], under the oversight of the Guangxi People's Congress and its Standing Committee, and with the support of the Guangxi Government, acting conscientiously in the spirit of the Fifth Plenary Session of the 14th CPC Central Committee, and focusing on the overall party and state work order, to enforce the law strictly and prosecute cases emphatically. We focused our forces on investigating and prosecuting major cases of economic crime such as embezzlement and bribery, cracking down severely on all serious crime, and tightening our law enforcement oversight, to make quite good progress in all prosecution work.

I. An Intensified Anti-Corruption Struggle, with Marked Success in Investigating and Prosecuting Economic Crime Such as Embezzlement and Bribery

In 1995, Guangxi placed on file for investigation and prosecution 1,239 cases of economic crime such as embezzlement and bribery involving 1,504 suspects, up respectively from 1994 by 8.4 percent and 8.9 percent. That included 381 cases of embezzlement involving 504 suspects, 330 cases of bribery involving 365 suspects, 299 cases of abuse of public funds involving 334 suspects, 149 cases of tax evasion and resistance and fraudulent acquisition of state export tax rebates involving 165 suspects, 19 cases of the production and sale of fake and shoddy commodities and trademark piracy, and 68 cases of other economic crime; these 319 cases involved 416 suspects who were being prosecuted in the courts, and seven escaped economic criminals who were arrested. Through the handling of these cases, we recouped for the state and collectives direct economic losses of 75.26 million yuan, up 23.6 percent from 1994.

A. We made new advances in handling major criminal cases of embezzlement, bribery, and abuse of public funds. Guangxi prosecution organs placed on file for investigation and prosecution 389 major cases of embezzlement and bribery involving over 10,000 yuan each,

up 17.5 percent from 1994, which made up 54.7 percent of all embezzlement and bribery cases, up 4.1 percent. That included 54 cases involving 100,000-500,000 yuan each, three involving 500,000-1 million yuan each, and six over 1 million yuan each. And we placed on file for investigation and prosecution 119 major cases of abuse of public funds involving over 50,000 yuan each, up 22.7 percent from 1994, including 12 cases involving over 1 million yuan.

B. We achieved marked success in handling economic crime such as embezzlement and bribery by workers in party, government, judicial, and administrative law enforcement organs and in the economic management sector. Guangxi placed on file for investigation and prosecution such cases involving 367 suspects, up 71.5 percent from 1994, involving 51 in party and government organs, 34 in judicial organs, 47 in administrative law enforcement organs, and 235 in the economic management sector.

C. We made breakthroughs in handling criminal cases involving leading officials. In 1995, Guangxi prosecution organs placed on file for investigation and prosecution cases of embezzlement and bribery involving 36 officials above the county department level, up 89.5 percent from 1994, two of which involved provincial level officials. The most influential cases were bribetaking by former Guangxi Light Industry Department Director Pan Tiansheng, former Beihai City Party Committee Standing Member and Discipline Inspection Commission Secretary Wu Zhiqiang, former Yongning County People's Congress Standing Committee Chairman Mo Nansheng, and former Nanning Planning Bureau Deputy Director Lu Weidong. In addition, prosecution departments at all levels throughout Guangxi also investigated and prosecuted a group of criminal cases involving township department (bureau) director officials in organs directly subordinate to townships, counties, and districts (cities).

D. We made new achievements in handling criminal cases in priority industries and fields. Prosecution departments at all levels paid attention to looking deep into priority industries and fields such as the real estate market, wholesale land leasing, construction trades, and financial securities, investigating and prosecuting cases of crime such as embezzlement, bribery, and abuse of public funds. We investigated and prosecuted 85 cases of financial securities crime involving 108 suspects, 65 cases of real estate market crime involving 92 suspects, and 236 cases of management crime in state enterprises and institutions involving 273 suspects.

E. We achieved crucial success in handling crimes involving the undermining of tax reform. In the defense of state tax reform, Guangxi prosecution departments

cracked down harder on tax crime, placing 149 such cases on file for investigation and prosecution, up 12.9 percent from 1994, including 54 major cases, up 58.8 percent. These 54 involved 88 suspected of the counterfeiting, resale, fraudulent use, and illegal commissioned use of value added tax invoices, up over 700 percent from 1994, and involving 1.8 billion yuan. Through our handling of such cases, we recouped for the state taxes and fines amounting to 102.96 million yuan.

Guangxi prosecution organs took the following major anticorruption steps in handling crimes such as embezzlement and bribery:

1. We raised our understanding of the need to intensify our leadership of the investigation and prosecution of major cases. Prosecution departments at all levels took more responsibility in the handling of major cases, insisting that prosecutor generals handle directly or take the lead in handling major cases. When lower level prosecution departments had trouble handling cases, they submitted them to higher level prosecution departments and, when cases were not handled forcefully enough, higher level prosecution departments organized and focused their forces on doing so. Of 36 major cases placed on file for investigation and prosecution, 30 were handled by the Guangxi Prosecution Dept and branch and municipal prosecution departments, including six by the Guangxi Prosecution Dept. The Guangxi Prosecution Dept handled the bribery cases of former Guangxi Light Industry Dept Director Pan Tiansheng and former Beihai City Party Committee Standing Member and Discipline Inspection Commission Secretary Wu Zhiqiang, assigning a group of casehandlers from some branch and municipal prosecution departments and the Guangxi Prosecution Dept for unified command, to ensure that the cases were handled smoothly.
2. We emphasized work priorities, focusing our efforts on ferreting out deepseated crime. Guangxi prosecution organs made priorities of the crimes of embezzlement, bribery, abuse of public funds, favoritism, and malpractice by workers in party, government, judicial, and administrative law enforcement organs and the economic management sector. In particular, once we found clues to cases of crime by leading officials, we started investigations as provided by law, promptly placing such cases on file for investigation and prosecution. When we uncovered clues in the handling of other cases involving such officials, we focused our forces on doing in-depth investigations, cracking such cases quickly. For instance, when the Xiangzhou County Prosecution Dept was investigating a case of crime at a construction project, it uncovered clues to a bribery case involving seven officials such as Xiangzhou County Construction Bank President Tan Jungui and Xiangzhou County Construction Commission Deputy Director Liao Jiafu. And meanwhile, we looked deep into priority industries such as the real estate market, wholesale land leasing, building trades, and financial securities, digging deep for clues to economic crime such as embezzlement and bribery. The investigation and prosecution by the Guilin City Prosecution Dept of a case of embezzlement of over 10 million yuan of public funds by officers from the Agricultural Bank of China's Guilin branch such as Zhong Hua, director of the Duxiu branch, and Su Wen, director of the credit card department, brought a strong local response.
3. We constantly studied ways to solve work difficulties, tightening our specific guidance of case investigations. Guangxi prosecution organs emphasized work difficulties, calling repeated special meetings to coordinate, discuss, and sum up phases, making prompt plans, and requiring leaders at all levels to go deep into the realities to study and investigate, mastering the changing patterns of economic crime, and stressing a solution to the spiritual stance of prosecutor generals, so that they dared to take the lead in handling cases. Meanwhile, we persisted in our crime reporting work, mobilizing the public to report crime and provide case clues. The Guangxi Prosecution Dept combined the study and implementation of the pertinent provisions of the Supreme Prosecution Dept on the preliminary investigation of major cases with that of the crucial instructions of Guangxi Party Committee Secretary Zhao Pulin on the investigation and prosecution of major cases by prosecution organs throughout Guangxi, bringing together branch and municipal prosecutor generals for a special study of the placing on file for the record and preliminary investigation of clues in major cases, and drawing up implementation regulations for Guangxi prosecution organs for the placing on file for the record and preliminary investigation of clues in major cases. The Guangxi Prosecution Dept and branch and municipal prosecution departments focused on work difficulties and weak links, organizing their forces for in-depth investigation and guidance of lower level prosecution departments, and promptly coordinating and solving difficulties to promote their work.
4. We relied on the Party Committee leadership, investigating and prosecuting cases more forcefully. Prosecution departments at all levels relied closely throughout on correct party committee leadership, insisting that major cases be reported and placed on the record for investigation and prosecution, and promptly reporting work difficulties to the party committee. With the support of the Guangxi Party Committee, Government, and People's Congress, casehandling obstruction and resistance

were overcome, with problems such as funding difficulties and outdated investigation equipment also being eased and improved to a certain extent. This support of leading organs provided a better law enforcement climate for prosecution organs to launch an in-depth anti-corruption struggle and investigate and prosecute major cases more forcefully.

5. We adhered to casehandling principles to raise our casehandling quality. Guangxi prosecution organs adhered to the principle in handling the crimes of embezzlement and bribery of "being resolute, cautious, and accurate," stressing evidence, investigation, and study, to rigorously distinguish the limits of crime. We conscientiously dealt with case facts, evidence, and applicability in law, strictly controlling forceful steps that would restrict human freedom, and taking a very cautious approach to difficult cases where the legal and policy limits were unclear, to ensure case quality.

II. A Stronger Crackdown, with a Severe and Rapid Crackdown Per Law on Serious Crime, To Preserve Social Stability and Public Order

In 1995, Guangxi prosecution organs at all levels continued to adhere to the principles of strict and speedy [casehandling]. As long as the essential facts were clear and the basic evidence was solid, we arrested and indicted speedily. Guangxi prosecution organs received requests from public security organs to arrest 25,145 suspects, approving 22,386 arrests, down respectively from 1994 by 6.6 percent and 8.2 percent. That included the arrest of 6,841 suspects in particularly major cases. We received requests from public security organs to move prosecution or exempt from indictment 25,542 suspects. Upon examination, we indicted 20,242, including 6,285 in particularly major cases, up 5.7 percent from 1994. We decided to exempt 2,234 suspects from indictment, up 22.5 percent from 1994. That included arrests of 9,515 and indictments of 8,928 for crimes such as homicide, looting, rape, bombing, arson, drugs, major larceny, and gang crime, accounting for respectively 42.5 percent and 44.1 percent of all arrests and indictments.

We took an active part in special campaigns and special control campaigns to crackdown on crime. In 1995, Guangxi arrested 7,888 suspects for train robbery, major larceny, looting and gang crime, and "pornography, gambling, and drugs." That included 444 for drugs, 71 for guns, and nine for the manufacture, sale, and dissemination of obscene materials, with 255 arrested for the abduction and sale of women and children, and 7,379 indicted in the above cases.

We carried out investigation and criminal trial oversight as provided by law. Through examining arrests and

indictments and appearing in court in support of the prosecution, prosecution organs at all levels decided per law to pursue arrests and indictments where crimes had not been pursued, and lodged judicial complaints by law when sentences were wrong. Meanwhile, we paid attention to redressing mishandled cases, to ensure that the innocent were not charged with criminal liability. In 1995, Guangxi pursued per law the arrests of 140 and the indictments of 49, deciding not to approve 1,400 arrests and not indict 35 suspects, with the number of disapproved arrests up 19.1 percent from 1994, and with judicial complaints lodged by law in 68 certainly mishandled cases. The "Criminal Procedural Law" provides in Article 13 that for every three cases of major crime such as smuggling placed on file for investigation and prosecution by prosecution organs on their own, there must have been a prior indictment in one.

We took an active part in the overall control of public order. Prosecution organs at all levels persisted in methods shown to be effective, doing overall control work in many forms and through diverse channels. As to certain glaring problems of public order and new forms and features of crime, we investigated, studied, and set forth views on crackdowns and prevention. We accompanied our casehandlings with legal publicity and indoctrination, drawing up various prevention measures, and helping to rectify rural grass-roots organs, to promote rural stability.

III. An Active Performance of All Prosecution Missions, with an All-Out Fulfillment of Our Legal Oversight Function

Guangxi prosecution organs further intensified their prosecution of violations of law and discipline, steadily giving it more place in their overall work. We received 1,696 cases of "rights violations" and dereliction of duty, placing 318 cases involving 463 suspects on file for investigation and prosecution, up from 1994 by respectively 28.2 percent and 39.9 percent, with 68 such cases being particularly major ones, making up 21.7 percent of all such cases placed on file for investigation and prosecution. We concluded 257 such cases involving 364 suspects, with indictments and prosecutions in 78 cases involving 116 suspects, and no indictments in 147 cases involving 201 suspects. That included the investigation and prosecution of 241 priority cases involving 353 suspects in the five categories of favoritism and malpractice, extorting confession by torture, illegal detention, dereliction of duty, and major accidents arising from negligence, making up 75.8 percent of all such cases placed on file for investigation and prosecution. Through our handling of dereliction of duty cases, we recouped

for the state and collectives direct economic losses of 58.58 million yuan, up 27.2 times from 1994. In 1995, law and discipline prosecutors made a top priority of investigating and prosecuting cases of favoritism and malpractice by judicial personnel, resolutely investigating every such case discovered, and placing five such cases involving five suspects on file for investigation and prosecution. We placed on file for investigation and prosecution 37 cases involving 43 suspects of rights violation and dereliction of duty by workers in "party and government, judicial, and administrative law enforcement organs and the economic management sector," making up 11.6 percent of all such cases placed on file for investigation and prosecution. Pubei County Public Security Bureau's Prison Director Zhang Shuqiong, Deputy Director Chen Yanshao, and Deputy Political Instructor Liu Dejian were severely irresponsible, causing the "798" major car smuggling case in which the chief culprit escaped, so that the prosecution organ arrested the three per law for dereliction of duty. We made a priority of cracking down on the crime of illegal kidnapping and holding of hostages that has such serious consequences. Through investigating and prosecuting cases of major accidents arising from negligence, we paid attention to rooting them out, helping enterprises to do a good job of production safety, and promoting enterprise management in accordance with law.

In our prison investigation work, we tightened our oversight of law enforcement in prisons, labor camps, and detention centers. Prosecution organs at all levels steadily improved their workstyle, going deep into prisons to learn about remodeling work, promptly cracking down on recidivism by prisoners [jail crime], and correcting illegal activity in prison reform work. In 1995, Guangxi placed 129 cases of jail crime on file for investigation and prosecution, rectifying by law 1,966 cases of illegal activity in prison work. We placed on file for investigation and prosecution six cases involving eight suspects of crime by prison guards.

Complaint and appeal prosecutors intensified their crime reporting [informing] publicity. Guangxi received 6,433 public reports of clues involving crimes such as embezzlement and bribery, up 19.2 percent from 1994. That involved reports on 2,778 workers in "party and government, judicial, and administrative law enforcement organs and the economic management sector," with 80 percent of the cases of economic and law-and-discipline crime that we placed on file for investigation and prosecution originating in public reports. Meanwhile, we conscientiously investigated and prosecuted cases of retaliation against informers, protecting and rewarding informers. Prosecution departments at all levels adhered to civilized reception, instituting a system of prosecutor

general reception days, and dealing correctly with 4,668 public letters and visits. We corrected 17 cases of public complaints and appeals. Guangxi prosecution organs conscientiously implemented the "State Compensation Law," placing two cases on file for investigation and prosecution of requests for criminal compensation, having already made compensation in one case in which the arrest was wrong.

In our civil administration prosecution, we actively protected the legitimate rights and interests of litigants, intensifying our casehandling force. In 1995, we received 631 cases of civil and administrative suits and appeals, up 5.9 percent from 1994. Upon examination, we submitted 75 cases of judicial complaints to higher level prosecution departments, up 280 percent from 1994, turning 20 cases over to the courts, up 230 percent. We placed on file for investigation and prosecution by law two cases in which judges took bribes from litigants in civil administration suits.

In our prosecution technology work, we actively used scientific and technological [S&T] means of law enforcement oversight. Guangxi took part in 1,299 cases of on-site reconnaissance [spying], 4,406 cases of inspection appraisal, and 856 cases of document examination, providing evidence in 4,859 cases, supplying investigation direction in 452 cases, and correcting original appraisal verdicts in 37 cases, to forcefully ensure accuracy in cracking down on crime.

IV. Intensified Force-Building, To Steadily Raise the Overall Quality of Prosecution Police

In 1995, Guangxi prosecution organs continued to adhere to the principle of "building our prosecution ranks in accordance with law, and doing rigorous investigations." We organized our police officers to study thoroughly *The Selected Works of Deng Xiaoping* and the spirit of the Fifth Plenary Session of the 14th CPC Central Committee, better adhering to our belief in communism, establishing the correct worldview, outlook on life, and values, freeing up our thinking, and acting objectively, to do a more conscientious job of our prosecution work. Our leadership at all levels conscientiously implemented democratic centralism, adhering to the conference system and rules of procedure, holding regular democratic life meetings, conscientiously solving existing personal problems, taking the lead in honest government and self-discipline, being diligently honest, converting our work style, and going deep into the realities of life. We completed the change of guard for municipal prosecutor generals in five districts. Guangxi prosecution organs acted in line with the provisions and requirements of the "Prosecution Officer Law," actively exploring reform of the prosecution organ per-

sonnel management system, and building sound and solid systems such as casehandling responsibility, mishandled case pursuit, job target responsibility, and recruitment testing and evaluation. The Guangxi Prosecution Dept Training Center held job training for 326 personnel newly recruited to prosecution organs, with 88 secretaries taking part in preliminary public prosecutor testing, and 24 prosecution department leaders at all levels participating in Supreme Prosecution Dept training. We held competitions in professional prosecution knowledge, rewarding 18 persons in six units. We conscientiously emphasized personal anticorruption. As required by the Supreme Prosecution Dept, the leaders of prosecution departments at all levels, officials above the deputy bureau level, and officials above the department level of grass-roots prosecution departments made a self examination and correction of their honesty and self-discipline, with the thorny illegal economic dispute problems of a few grass-roots prosecution departments being corrected. We severely investigated and prosecuted violations of law and discipline in our prosecution ranks. The Guangxi Prosecution Dept commended and rewarded 153 persons in 103 units for outstanding achievements in handling major cases, with seven units and individuals receiving commendations from the Supreme Prosecution Dept.

In 1995, Guangxi's existing prosecution problems and shortcomings were mainly as follows. Certain localities did not handle major cases forcefully enough, with law enforcement oversight remaining a weak link in some places, not enough investigation and study of new crime conditions on the new terms [of reform and opening], a few police officers still violating law and discipline, and particular jobs still not performed up to struggle needs. Our case funding was still very short, with backward transportation, communications, and equipment affecting our casehandling progress. So we need to take effective steps in our future work to solve these problems.

Fellow delegates, 1996 is the first year of acting in the spirit of the Fifth Plenary Session of the 14th CPC Central Committee to fulfill the Ninth Five-Year Plan for national economic and social development. In 1996, Guangxi prosecution organs will act conscientiously in the spirit of the Fifth Plenary Session of the 14th CPC Central Committee, the Central Economic Work Conference, and the Seventh Guangxi Party Congress, carrying out all work plans of the National Policy and Law Work Conference and the National Prosecutor General Work Conference, adhering to the work policy of "strict law enforcement with emphasis on casehandling," focusing our forces on handling major cases, and intensifying our prosecution of on-the-job crime such as embez-

zlement, bribery, favoritism, and malpractice. We will crack down on serious crime speedily and severely, intensifying our law enforcement oversight, and bringing our prosecution functions into full play, to make new contributions to Guangxi's reform, development, and stability.

PRC: Tianjin Punishes Narcotics-Related Criminals
SK1507042396 Tianjin TIANJIN RIBAO in Chinese
27 Jun 96 pp 1,2

[Report by correspondent Wang Lichun (3769 4539 5028) and Gong Tao (1362 3447)]

[FBIS Translated Text] On 26 June, the Tianjin Higher People's Court convened an open trial to strike relentless blows to narcotics crimes. At the trial, the municipal Higher People's Court, the First and Second Intermediate People's Court, and the Hongqiao and Tanggu District Courts passed final and first sentences to six criminals, including Liu Jun, Chi Jitong, and Wang Yong, who sold, transported, and illegally possessed narcotics. The persons in charge of related sectors of the municipal political and legal commission, the municipal narcotics banning office, customs, public health, medicine, radio and television, and 600-odd people from all walks of life attended the open trial.

Narcotic trafficker Liu Jun, male, is 21 years old. In March 1994, Liu Jun became acquainted with narcotics traffickers Zhou Chongping and Zhang Heyuan (dealt with in another case), one after another. In July 1994, Zhang Heyuan gave 4,625 yuan to Liu Jun to buy heroin. Liu Jun then purchased 25 grams of heroin from Zhou Chongping. Ever since, Liu Jun bought 85 grams of heroin from Zhou Chongping on four occasions. In December 1994, Liu Jun sold 10 grams of heroin to others, gaining 400 yuan in profit. Judging from the aforementioned, Liu Jun sold heroin totaling 120 grams. Due to his trafficking of narcotics, the Second Intermediate People's Court passed the death penalty to Liu Jun, with a two-year suspension of execution and deprivation of political rights for life. After passing the judgment, Liu Jun did not appeal, and the procuratorate did not lodge a protest. After being examined by the Higher People's Court, the judgment made by the municipal Second Intermediate People's Court was approved.

Narcotics trafficker Chi Jitong, male, is 37 years old. In 1994, Chi Jitong, together with his wife Yuan Caoxiang (dealt with in another case), came to Tianjin from Jilin. In November 1995, Chi Jitong purchased 989 grams of ice (methyl amphetamine), and had his wife do the contact work for trafficking. On 8 November 1995, Chi Jitong, when selling ice, was caught. The ice seized

totalled 989 grams. Due to his drug trafficking, the Second Intermediate People's Court passed the death penalty to Chi Jitong and the deprivation of political rights for life.

Narcotics trafficker Wang Yong, male, is 38 years old. He has been reformed through labor for two years, and was held in custody for 15 days and fined 1,00 yuan by the Public Security Department because of taking addictive drugs. Since February 1996, Wang Yong had been selling narcotics. He was seized on the spot when selling narcotics on 18 March, carrying 3.53 gram of heroin. The Hongqiao District People's Court passed five years of imprisonment to Wang Yong since he was engaged in drug trafficking.

Narcotics traffickers Aini Shawuti, Maimaiti Musha, and Aihemaiti are all from Xinjiang. In November 1995, the three criminals brought 9 grams of heroin with them to sell in Tianjin's Tanggu District, reaping a profit of 4,200 yuan. Afterwards, the three criminals again brought 8 grams of heroin to Tianjin, and were caught when selling it. The Tanggu District Court passed eight years of imprisonment to Aini Shawuti and Maimaiti Musha, and seven years and six months to Aihemaiti because of their drug trafficking.

General

PRC: Major Environmental Protection Plans To Be Finalized

OW1607123296 Beijing XINHUA in English
0838 GMT 16 Jul 96

[FBIS Transcribed Text] Beijing, July 16 (XINHUA) — China is finalizing two environmental protection programs as part of its efforts to halt present pollution trends and to improve the environment.

Plans for the "Program to Curb the Total Amount of Discharged Pollutants" and the "Green Project Program through 2010" have been submitted for final consultation to the ongoing Fourth National Conference on Environmental Protection, which is scheduled to close Wednesday [17 July].

China established environmental protection targets through 2010 that were approved earlier this year by the National People's Congress.

The two programs are the foundation of China's attempt to halt the worsening trend in environmental pollution and ecological damage, and to improve the environment in some cities and regions by the year 2000.

Over the next 15 years, China will attempt to stop environmental deterioration, and expects to see improvements in the urban and rural environment.

Xie Zhenhua, director of the National Environmental Protection Agency (NEPA), said the program to curb pollutants was formulated in accordance with national conditions, regional differences and funding capabilities.

The first step of the program targets the major pollutants that are considered environmentally hazardous, but are likely to be reduced in their amount by taking effective measures, Xie said.

China has been controlling the discharge of pollutants by limiting their density, the director said.

With the country's rapid economic development, the total amount of discharged pollutants will continue to increase in a certain area or industry, he said, even though the pollutants discharged in some regions have met official requirements.

The new program requires that in developed regions or seriously polluted or environmental-sensitive areas, pollutants discharged by new, renovation or expansion projects of any enterprise or area should first meet official environmental protection requirements.

Additionally, the enterprise or the area should cut at least the same amount of pollutants produced by the

increased capacity, in order not to exceed discharge limits.

The move aims to encourage enterprises and local governments to introduce advanced, environmentally-friendly technology, he said.

The policy is conducive not only to environmental protection, but also to the change and improvement of economic growth.

The "Green Project Program through 2010" is a three-stage, 15-year plan.

During the first five years, priority will be given to several of the 3,000 projects listed by local governments or central government departments, according to the program plan.

High on the program is the battle against water pollution in three major polluted rivers, three polluted lakes and areas heavily polluted by acid rain or sulfur dioxide.

The rivers are the Huaihe River in central and east China, the Haihe River in north China, and the Liaohe River in northeast China. The lakes are Taihu and Chaohu in east China's Jiangsu and Anhui provinces, respectively, and the Dianchi in southwest China's Yunnan Province.

PRC: Beijing To Step Up Enforcement of Environmental Laws

OW1707120696 Beijing XINHUA in English
1111 GMT 17 Jul 96

[FBIS Transcribed Text] Beijing, July 17 (XINHUA) — China's top environmental protection official said China is to step up efforts to enforce laws and regulations on environmental protection.

State Councillor Song Jian, also director of the State Council's Environmental Protection Committee, said the efforts are necessary to ensure the implementation of environmental protection laws and regulations, and the country's sustainable social and economic development strategy.

Speaking at the closing ceremony of a three-day national conference on environmental protection, Song said China has formulated a complete set of policies, laws and regulations on environmental protection during the past two decades and more.

He went on to say the legal system has played a great role in protecting and improving the environment, and laid the foundation for implementing a sustainable development strategy.

Efforts should be made in the coming five years to improve and strictly enforce the laws and regulations, a

must for the country to realize its 1996-2000 environmental protection targets, he added.

The targets strive to basically curb the trend of aggravating environmental pollution and biological damage, and to improve the environmental situations in some cities and regions by the year 2000.

China has adopted a number of measures in its efforts to realize the targets, with priority given to the prevention and control of water pollution.

Among the measures are the "Program to Curb the Total Amount of Discharged Pollutants" and the "Green Project Program through 2010".

China has launched campaigns to clean up three major polluted rivers and three polluted lakes by the year 2000, and to reduce acid rain or sulphur dioxide in heavily polluted areas.

The rivers are the Huaihe River in central and east China, the Haihe River in north China, and the Liaohe River in northeast China. The lakes are Taihu and Chaohu in east China's Jiangsu and Anhui provinces, and the Dianchi in southwest China's Yunnan Province.

"We must be firmly opposed to practises of seeking quick benefits, by paying attention to short-term interests at the expense of long-term ones," Song pointed out.

"In order to protect the fundamental interests and sustain economic development, it is better to slow down the economic growth rate for the time being, than harm the environment and natural resources," he said.

Wang Bingqian, vice-chairman of the Standing Committee of the National People's Congress, the top legislature in China, told the meeting that the congress will make efforts to improve the existing laws and regulations on environmental protection in the years to come.

He went on to say the congress will also pay more attention to law enforcement to make sure that governments at all levels fulfill their commitments to environmental protection.

PRC: National Conference on Environmental Protection Ends

*OW1707132196 Beijing XINHUA in English
1233 GMT 17 Jul 96*

[FBIS Transcribed Text] Beijing, July 17 (XINHUA) Zhangjiagang and 10 other cities were praised today by the Chinese government for their efforts in improving the environment.

Zhangjiagang, a city in east China's Jiangsu province, is the only city to be given the title of "model city"

at the Fourth National Conference on Environmental Protection, which closed today in Beijing.

Xie Zhenhua, director of the National Environmental Protection Agency, praised the city for its outstanding efforts in fast economic and social development, and keeping the city clean and tidy.

Other cities were cited in the top 10 of the country's 35 major cities in environmental protection.

They are the port city of Tianjin, north China, Haikou, capital city of the country's southernmost island province of Hainan, the port city of Dalian in Liaoning province, northeast China, Suzhou of Jiangsu province, Beijing, Shenzhen and Guangzhou in Guangdong province, Hangzhou, capital city of Zhejiang province, Nanjing, capital of Jiangsu province, and Shijiazhuang, capital city of Hebei province.

They are the top cities in a comprehensive assessment of environmental protection during 1992 to 1994 involving all 35 major cities.

Beijing and a few other cities are faced with serious air pollution problems, while some of the others are plagued with various other kinds of pollution.

State Councillor Song Jian called on all the country's cities to concentrate their funding for municipal works on construction of waste water treatment facilities during 1996-2000.

"Cities will not be allowed to discharge waste water untreated from now to the year 2000", he warned.

He urged Beijing, Tianjin, Shanghai, and all other provincial cities, special economic zones, coastal cities and major tourism cities, to be first to reach government's standards for water and air quality on schedule.

PRC: RENMIN RIBAO on Environment Protection

*OW1807084396 Beijing XINHUA Domestic Service
in Chinese 1414 GMT 17 Jul 96*

[REMIN RIBAO editorial: "Protect the Environment, Develop in a Sustained Manner — Hailing the Successful Close of the Fourth National Conference on Environmental Protection"]

[FBIS Translated Text] Beijing, Jul 17, (XINHUA) — The Fourth National Conference on Environmental Protection has closed. At the conference, General Secretary Jiang Zemin and Premier Li Peng made important speeches. They further stressed the importance of implementing the basic national policy of environmental protection, and demanded party and government leaders at all levels always grasp the implementation of the

strategy of sustainable development in the socialist modernization drive, regarding it as an important matter. The conference was a grand meeting of strategic significance in the history of the development of the environmental protection cause in our country. It will certainly produce a far-reaching impact on further implementing the basic national policy of environmental protection and the strategy of sustainable development.

Our party and government have always attached importance to environmental protection. Since the Third National Conference on Environmental Protection held in 1989, great progress has been made in environmental protection. The strengthening of environmental protection and the adoption of feasible measures concerned have enabled the rapid development of the national economy of our country and have basically prevented the drastic deterioration of the quality of the environment. However, we should also be aware that the environmental situation in our country remains quite grim. Environmental pollution centering around cities is still developing and spreading to the rural areas and the scope of damage to the ecology is expanding. They have become factors restricting overall economic and social development and serious problems causing increasing concern of the people. They will have a direct impact on the existence and development of our nation if no more stringent and effective measures are taken.

Our country has a large population and a shortage of resources. Its level of development of the economy, science, and technology is still a far cry from the advanced level of the world. Its ecological environment is weak and flimsy and its task of environmental protection is an arduous and long-term one. Only by properly protecting the environment amid economic growth will it be possible to have healthy, vigorous, and sustainable development. We must understand that the essence of environmental protection is to protect productive forces. We must do a good job in environmental protection proceeding from safeguarding the overall and long-term interests of the Chinese nation. Environmental protection is the crucial part of sustainable development. The implementation of the strategy of sustainable development is the guarantee to push environmental protection forward comprehensively, fundamentally changing the tendency of environmental deterioration, and achieving the goal of environmental protection. We must, under the guidance of the strategy of sustainable development, grasp environmental protection work tighter, better, and more effectively.

At the Fifth Plenary Session of the 14th CPC Congress, General Secretary Jiang Zemin comprehensively expounded the relationship between economic development on the one hand, and the population, environment,

and resources on the other, and emphasized that in the modernization drive, we must regard the realization of sustainable development as an important strategy. He pointed out: "We must not eat the rice left behind for us by our ancestors, block up the road of our future generations, or take the road of wasting resources and first polluting the environment and then improving it." The "Outline of the Ninth Five-Year Plan for National Economic and Social Development and the Long-Term Target for the Year 2010," approved at the Fourth Session of the Eighth National People's Congress, has put forward clear targets for environmental protection: By the year 2000, we must strive to put the tendency of intensifying environmental pollution and ecological damage under basic control and to improve the quality of the environment of some cities and regions; and by the year 2010, we must basically change the situation of the deterioration of the ecological environment and make marked improvement of the urban and rural environment. To hit these targets, we must make concrete plans and arrangements now.

In accordance with the targets of environmental protection set by the "Outline," the State Council has discussed and approved in principle the "Decision on Several Issues Concerning Environmental Protection." It has also approved, in principle, the "Ninth Five-Year Plan for Environmental Protection and the Long-Term Target for the year 2010." In connection with environmental protection work, the implementation of the "Plan for Controlling the Total Quantity of Major Pollutants Discharged Across the Country" and the "Trans-Century Greening Engineering Plan of China" demanded, from now on, "increasing output without increasing pollution," controlling blind development of the pollution load, and fundamentally promoting the change in the mode of economic growth. In addition, they demanded fighting several major campaigns with clear targets, steps, key points, and concentrated financial and material resources to effectively control regional pollution, and in turn, to promote the overall situation of environmental protection work. Seriously implementing the decision of the State Council and earnestly implementing the Ninth Five-Year Environmental Protection Plan are major tasks of environmental protection work for some time to come. Party committees and governments at all levels must put the issue of environmental protection on their important agenda, further increase their understanding of it, strengthen leadership over it, make great efforts to implement the decision and plan, and ensure fulfillment of the tasks.

First, we must strengthen legislation for environmental protection and resolutely change the situation of not observing laws, not strictly enforcing laws, and not

affixing responsibility for violation of laws. Since the beginning of the Eighth Five-Year Plan period, China has promulgated a number of laws and regulations on environmental protection and the crucial thing at present is to strictly enforce them. Departments of environmental protection, commerce, industry, public security, and justice should earnestly perform their duties, cooperate with one another, make greater efforts to enforce laws, and resolutely crack down on violation of law. Units and individuals who have seriously violated laws and caused serious consequences should be severely punished according to law and should never be tolerated.

We must earnestly strengthen supervision and management of the environment. Environmental protection should become part of comprehensive policy decisions and mechanism for making comprehensive policy decisions on the environment and development should be established. On a larger scope, we must prevent new environmental problems caused by irrational industrial structure, planning, or layout. We must establish the environmental protection work responsibility system for party and government leaders and department concerned at various levels. Governors, mayors, county magistrates, and township heads should be responsible for the quality of the environment in areas they govern, and ministers and departments in charge of various trades should be responsible for the environmental protection work of respective ministries, trades, and systems. We must constantly strengthen the construction of environmental protection organs and the contingent of environmental management workers and yield the role of environmental protection to professional personnel while arousing and depending on the broad masses of people.

We must heavily depend on science and technology progress. Various localities and departments must closely integrate "invigorating the country by means of science and education" with the strategy of sustainable development, concentrate strength, develop and spread practical techniques for environmental protection, depend on science and technology progress, increase the utilization rate of resources, increase the ability to prevent and deal with pollution, and raise the management level. Enterprises are in the first line of the pollution prevention and should make great efforts to renovate and develop technology to promote clean production.

We must constantly increase input in environmental protection. The solution to the environmental issue needs certain economic input and this is indispensable. We must spend some money on preventing and dealing with pollution and the earlier we spend money on it the better. If we wait till pollution is serious, we shall have to spend more. Governments at various levels must, with

a strong sense of responsibility to the overall situation, to the future, and to the future generations, overcome difficulty. They should earnestly increase various forms of input in environmental protection, gradually increase the ratio of the input of environmental protection to the gross national product, and change the situation of a relatively low input in environmental protection.

We must strengthen publicity of and education about environmental protection and give play to the role of supervision of the public and the press. Governments at various levels must energetically arouse the public's enthusiasm about taking part in environmental protection and provide the public with the opportunity and the condition for participation. We must gradually establish the environment complaint system so that the public can, through various channels, reflect problems in environmental protection and safeguard their own legitimate interests. Localities, departments, units, and individuals who have done a good job in environmental protection should be commended and awarded and those who have done shoddy work in environmental protection should be exposed and criticized. If their cases are serious, they should be investigated and responsibility affixed according to law.

Environmental protection is a lofty undertaking benefiting the people and on which the interests of generation after generation of the Chinese nation hinge. We are shouldering a heavy task and time awaits nobody. Let us take the Fourth National Conference on Environmental Protection as the new starting point. Let us carry out publicity work more extensively and mobilize, organize, and depend on the people to raise the environmental protection work of our country to a higher level. Let us work hard to meet the demands of the sustainable development strategy and to realize the tasks put forward by the "Outline".

PRC: Government To Spend 'Massive' Funds To Boost Car Industry

OW1707135896 Beijing ZHONGGUO XINWEN SHE in English 1008 GMT 17 Jul 96

[FBIS Transcribed Text] Beijing, July 17 (CNS) — Within the next five years, the Chinese Government is to spend a massive RMB [renminbi] 100 billion to boost the leading eight mainland car manufacturers.

The government hopes to make the automobile sector a pivotal industry with an annual output value exceeding thousand billion yuan by the start of the next century, said a source close to the Ministry of Machine-Building Industry.

The eight major car building companies include Shanghai Volkswagen, Yiqi Volkswagen, Tianjin Daihatsu,

Guangzhou Peugeot, Beijing Jeep and Wuhan Shenlong. The two others, Chongqing Changan and Guizhou Lark, former military enterprises, have been converted to produce minicars.

The source also indicated that as the Chinese Government would no longer approve any new car or light truck building projects after 1997. [sentence as received] Instead it will concentrate on encouraging existing the eight leading car builders to enhance wider regional co-operation and development. The government advocates the use of mergers, take-overs and controlling shares to improve overall efficiency within the sector.

To this end, the Chinese Government has promised incentives such as tax reductions and governmental loans. Yet in order to quicken the development process of the emerging spare parts and vehicle accessories sector as well as repair and maintenance services, the government is happy to let the car builders seek foreign assistance on the condition that the foreign firms have a track record in automobile research and development and a well planned international sales network.

Market analysts believe that if China's plans are executed according to schedule, annual auto output will rise to 3 million vehicles by 2000 with the major car building companies accounting for no fewer than 70 per cent of the annual output on aggregate. China is expected to have a total of 20 million vehicles on the road by the turn of the century, including 4.5 million sedan cars.

PRC: Article Calls for Mastering Capital Management

SK1207112096 Shenyang LIAONING RIBAO
in Chinese 26 Jun 96 p 1

[By Ran Ye (3544 0048): "Let Us Start the Talk From Selling the Expressway"]

[FBIS Translated Text] On 15 June, when Governor Wen Shizhen met with Liaoning's fact-finding group of foreign-funded banking organizations, he indicated that the Shenyang-Dalian Expressway, dubbed the foremost road in China, is looking for international cooperation in the area of management rights, and that it will sell some shares to enterprises or investors outside China.

Here, I want to be straightforward: The Shenyang-Dalian Expressway is to be sold at a market price. The sale of the Shenyang-Liaoning Expressway, in Liaoning's economic life, is definitely a big issue, a big move, that will attract people's attention.

At the end of last year, the writer followed Heilongjiang's municipal party committee secretaries and mayors to Shanghai for learning and inspection. I re-

member that capital management had become a hot issue for us at that time. A typical example is the two fixed-cable bridges over the Huangpu Jiang, namely, the Yangpu and Nanpu bridges. The cable spans [xie la kuan du 2438 2139 1401 1653] of these two bridges were ranked number one and three, respectively, in the world. The bridges' investment totaled 2.5 billion yuan, and they were appraised at 5 billion yuan. The people of Shanghai, with a breakthrough mindset, sold a 49-percent interest in the two bridges to the Hong Kong Zhongxin Company, recouping all of the investment in the two bridges at one time. The result of the capital operation was that there was enough capital to build another bridge across the Huangpu Jiang — the Xupu Bridge.

The aim in selling Shanghai's bridges and Liaoning's road was very obvious, that is, existing capital goods were used to invite more capital, and thus capital circulated. Liaoning is not trying to learn a new trick or lose an ability it already has, like in the lesson derived from the old proverb "learning the Handan walk." Instead, its actions announce to the world that Liaoning has stepped into a new world of capital management.

The "main part" of capital management is capital. Capital, a concept that was shunned for a long time, is a new issue for many of us. In fact, when reforming state-owned enterprises, whether the reform is to "pay attention to large enterprises," or "deregulate small ones," it is impossible to avoid the question of managing capital. "Capital" exists in forms such as shares, and it usually flows in markets. Owners of capital can unremittingly adjust investments through selling, purchasing, merging, mutual shareholding, and controlling shares. The goal of capital management is to create profit and pursue efficiency so as to maintain and increase the value of capital in the process of capital flow. It can be said that the Hong Kong Zhongce Company's spending 2 billion yuan years ago to purchase 101 enterprises in Dalian's textile and light industry sector was an "example" of enterprises outside the border developing capital management in Liaoning. The purchase of these enterprises by the Zhongce Company was not a simple joint-venture case, but rather an explicit example of capital operation. The company registered and listed state-owned enterprises overseas, and was said to reap great profits.

If we say that we had once passively operated "capital" in the case of Hong Kong Zhongce Company years ago, the case of the Beitai Steel and Iron General Plant in east Liaoning could be said to let us taste operating capital in an active manner. In 1994, with authorization from the Benxi city state-owned assets administration, the General Plant assessed the fixed assets of its 12 production sub-plants, which mainly focus on smelting

iron, to be worth 600 million yuan. It used this to buy shares in and establish the Benxi Beilong Steel and Iron (Group) Limited Company together with the Hong Kong Yinglong Industrial Company. The Hong Kong side invested 900 million yuan, or 60 percent of the investment. In three years, thanks to a series of capital operations, this wholly state-owned company has become a "hybrid dragon" enterprise integrating state capital, foreign capital, individual capital, and business capital. All the state-owned assets have been successfully transformed from the material object form to the capital form. The momentum of a speedy hike in value is seen in state-owned assets, and the ensuing immediate profits came from successfully using 1.1 billion yuan worth of fixed assets to attract investment exceeding this amount. The enterprise does not have to worry over the funds needed by the 22 technological transformation projects to be handled by 1997. The development of enterprises has a benign circle in real terms. Without a doubt, the Beitai General Plant's successful explorations provided valuable experiences and exemplary functions to enable Liaoning to succeed in capital management, including with the case of Shenyang-Dalian Expressway.

Now, we come back to the hot topic of Liaoning's road sale. How will the sale actually go? This article has no intention of getting involved in specific operational details. We mention the sale to bring up the crux of this issue, that is, we should, from a more comprehensive approach, learn, master, and experience capital management as fast as we can. In fact, it is urgent that state-owned enterprises reform and introduce the mechanism of capital management. This should be the focal point in terms of lifting state-owned enterprises out of their dire straits. Once we focus on this task, we can shake off the various predicaments of unitary product management, and the transformation of the old industrial base will really be implemented. Capital management is a grand task, and we have just started. Nevertheless, since we have started, we should be determined to encompass it successfully. We hope the case of Shenyang-Dalian Expressway can be the new "example" of capital management.

PRC: Circular Bans Illegal Use of Foreign Currencies in Business

OW1407113996 Beijing XINHUA Domestic Service in Chinese 1230 GMT 10 Jul 96

[By reporter He Jingsong (96320 0513 2646)]

[FBIS Translated Text] Beijing, 10 Jul (XINHUA) — The State Administration of Exchange Control and the State Administration for Commerce and Industry recently issued a joint "circular" banning the use of

foreign currencies for price quotations and account settlement in China as well as illegal publication of advertisements with contents on such use.

The "circular" points out: Currently, some units use foreign currencies to quote prices and settle accounts in their business operations without approval and place various advertisements with contents on such use in newspapers, magazines, and on signs. The act violates the "PRC Regulations on Foreign Exchange (Forex) Control"; stipulations on "abolishing any form of price quotations or account settlement with foreign currencies in China from 1 January 1994" under the "People's Bank of China Notice on Further Reform of the Forex Control System"; and stipulations of "PRC Advertisement Law" Article 7, thereby seriously disrupting China's financial management order.

To ensure healthy development of the Forex financial system reform and safeguard the country's normal financial management order, the "circular" clearly specifies that:

1. Without Forex control department approval, no unit shall use foreign currencies to quote prices or settle accounts in their business operations in China. In accordance with relevant "PRC Regulations on Forex Control" stipulations, the State Administration of Exchange Control shall severely punish those who use foreign currencies to quote prices or settle accounts in their business operations without approval.
2. Dissemination of advertisement with contents on the use of foreign currencies for price quotations or account settlement through all kinds of media and forms shall be banned. In accordance with stipulations of "PRC Advertisement Law" Article 39, advertisement supervision and management organs shall punish those who design, produce, represent, or distribute advertisement with contents on the use of foreign currencies for price quotations or account settlement.

PRC: World Bank To Continue Strong Support

HK1507091896 Beijing CHINA DAILY (BUSINESS WEEKLY) in English 14-20 Jul 96 p 1

[By Ren Kan: "World Bank Affirms Strong '97 funding"]

[PTS Transcribed Text for FBIS] A senior World Bank official says the bank will maintain its strong support to China during fiscal year 1997, which started on July 1 of this year.

Russell Cheetham, bank vice-president in charge of the East Asia and Pacific region, said \$3 billion in loans are expected to flow to 15 to 16 projects in China in the coming months.

The bank will continue to give priority to poverty-reduction in inland provinces and infrastructure development, he said. Health, education and environmental protection projects will also top the bank's agenda.

Specific loan recipients will be announced after the bank's discussions with the Chinese Government.

Cheetham said China will continue to enjoy access to the bank's soft lending arm, the International Development Association (IDA), in fiscal year 1997 but noted that as China's economy and per capita income continue to grow, the day will come when China does not qualify for the IDA funds.

China resumed membership in the World Bank in 1980. By the end of June, accumulated World Bank commitments to China exceeded \$25 billion for 173 projects, about 75 per cent of which have concentrated on infrastructure and agriculture.

The World Bank is China's largest single source of foreign capital, in terms of annual commitments, China is the bank's largest borrower.

The vice-president paid a seven day trip to China last week and inspected some World Bank-backed projects. Cheetham said the quality of China's projects ranks among the best in the bank's entire portfolio.

He expressed high regard for China's present economic situation and said he believes China has succeeded in orchestrating a so-called "soft landing."

"There's a great deal that Chinese authorities can be pleased about (regarding) the overall performance of the economy," Cheetham said, citing a high growth rate, good macroeconomic management and falling inflation.

"The country has avoided the sharp drop in the growth rate that has sometimes occurred on previous occasions when the government strived to dampen inflationary pressure."

He said the World Bank welcomes China's recent measures to speed foreign exchange reform.

The country announced earlier last month that all the country's foreign-funded ventures will be included in the foreign exchange buying-and-selling system. And it will make the yuan convertible under the current account by the end of this year, which Cheetham called "a very important" step forward. "It's a further reflection of China's growing integration with the international economic system."

He commented that it usually takes a longer period of time to achieve convertibility under the capital account. "There are quite a few issues that should be dealt with, including the domestic financial system."

PRC: Central Bank Ready To Reduce Interest Rates

HK1607063596 Hong Kong SOUTH CHINA MORNING POST in English 16 Jul 96 p 1

[By Ted Plafker in Beijing]

[PTS Transcribed Text for FBIS] China's central bank is gearing up to reduce interest rates before the end of the year, People's Bank of China Governor Dai Xianglong, said yesterday.

Mr Dai provided no details as to the timing or magnitude of the cut, but said the slowdown in retail price increases was creating good conditions for a reduction.

But he was quick to warn that such a move would not signal the end of China's tight monetary policy.

The summer's good harvest and strong grain reserves were preventing large rises in food prices and, by extension, in the retail price index. "If prices can be stabilised or lowered further, then at an appropriate time we will cut the lending and savings rate," Mr Dai said.

He also announced a range of statistics on the state of the economy for the first half of the year. They were encouraging, he said, but warned the country continued to face serious challenges in its efforts to reform inefficient and loss-making stateowned enterprises.

M2 broad money supply rose 28.2 per cent compared with the first half of last year, marking a step towards achieving China's stated growth rate target. Its foreign reserves had climbed to a record high of US\$86.6 billion by the end of last month, from \$73.6 billion at the start of the year.

While no figures for gross domestic product were given, Mr Dai said growth for the full year was forecast at between nine and 10 per cent. The rise in GDP was 10.2 per cent for 1995. But he predicted China would succeed in keeping its retail price inflation below nine per cent this year.

Inflation last year stood at 14.8 per cent, and in response to the threat of public dissatisfaction the Government has made controlling rising prices one of its priorities.

Beijing set an inflation target of 10 per cent for 1996, while the growth pace of retail prices slowed down in the first half of the year at an average of 7.1 per cent.

The yuan exchange rate, he said, had held steady at about 8.32 to the US dollar during the first half, and he repeated promises made earlier this year by Vice-Premier and former central bank governor Zhu Rongji that China would achieve convertibility of its currency under current accounts by the end of this year.

Despite a lagging foreign trade performance in the first five months of the year, Mr Dai said China's balance of payments remained "satisfactory".

He said many of the cash-starved state enterprises were clamouring for a looser lending policy, but denied the interest rate cut would be made to satisfy their demands.

The poor performance of state enterprises continued to plague China's economic outlook, he said.

"State-owned enterprises are having difficulty in their management, despite the success of reforms in this sector . . . but we cannot rely on an easy money policy to resolve such problems," he said. He said new loans granted by state-owned banks to enterprises in the first half of the year were 100 billion yuan higher than the corresponding period last year, but the ratio of enterprises' sales revenue to production continued to drop.

The main reason, he said, was "the irrational economic structure and poor efficiency of enterprises, rather than an easy money policy".

Mr Dai also noted the central bank would oppose speculation in real estate, but would work to support the sector as a "pillar industry" by increasing loans in a "planned and managed way". He said the bursting of the speculative bubble in China's fast-growing real estate sector had caused massive losses in parts of the country — estimated at about 200 billion yuan.

PRC: Biggest Securities Firm Opens in Shanghai

*OW1607150296 Beijing XINHUA in English
1427 GMT 16 Jul 96*

[FBIS Transcribed Text] Shanghai, July 16 (XINHUA) — The Shenyin and Wanguo Securities Co., Ltd, the biggest of its kind in China, began operation today in Shanghai, having got approval from the People's Bank of China.

The firm is the result of a merger of Shenyin Securities Co. Ltd and Wanguo Securities Co. Ltd, and has a registered capital of 1.32 billion yuan (about 151 million US dollars) and total assets of 13 billion yuan.

Its more than 3,000 staff members and 100 branches across the country, and in Hong Kong and Singapore, make it the biggest and most powerful, as well as most experienced securities firm in China.

The corporation's first share-holders' meeting was held this afternoon, where the Corporation's regulations were adopted, and 19 people elected as the first board of directors.

PRC: Minister Urges Courageous Action in Enterprise Reform

*HK1707080396 Beijing RENMIN RIBAO in Chinese
8 Jul 96 p 2*

[By Liu Qi (0491 3217), minister of metallurgical industry: "Emancipate the Mind and Dare To Act — speech delivered at discussion on studying General Secretary Jiang Zemin's speech attended by a number of leading comrades of ministries and commissions"]

[PTS Translated Text for FBIS] Where does the experience for reform come from? It can only come from practice. We must uphold the party's ideological line, free ourselves from old ideas, seek truth from facts, and dare to act. There is no ready-made path to follow in carrying out reforms. In the metallurgical industry, some state-owned enterprises owed their successful experience to their boldness in blazing new trails. We must encourage enterprises to act courageously, and prevent formalism, "rigid uniformity," and the "campaign being like a gust of wind," so that state enterprises, which have their particular characteristics, will find a strategy which suits their characteristics, play a key role in market competition, raise their efficiency, and increase their competitiveness.

In his speech, General Secretary Jiang, while mentioning the need to stand by the "three-help" criterion [the criterion for judging the success and failure of work in various fields: whether it helps develop the productive forces of the socialist society, strengthen the overall capacity of the country, and improve the people's living standards, came up for the first time with a four-point principle for judging the success or failure of enterprise reform.

First, this principle is consistent with the "three-help" criterion, because it was derived from the essential requirement of the socialist society. The "three-help" criterion set by Comrade Xiaoping in 1991 has greatly emancipated the minds of the entire party membership and pushed forward reform and opening up. The new principle will also liberate the thoughts of the entire party membership and help everyone to realize they should courageously experiment with anything that helps the enterprise to play a dominant role in the market, increase its efficiency and competitiveness, and maintain and increase the value of state-owned assets.

Second, the principle clearly defines economic efficiency as the criterion for judging state enterprise reform, regarding increasing economic efficiency and competitiveness and preserving and increasing the value of state-owned assets as important as introducing the modern enterprise system. This can prevent placing un-

due stress on establishing the corporate management structure [fa ren zhi li jie gou 3127 0086 3112 3810 4814 2845] and the assets pattern [zi chan jie gou 6327 3934 4814 2845] to the neglect of economic efficiency. This is based on the summation of problems arising from enterprise reform.

We had the negative experience in the metallurgical industry: Some enterprises set up enterprise groups and introduced the joint-stock system, but failed to pay sufficient attention to increasing economic efficiency. As a result, the old concept and mechanism remained intact and thus affected the results of reform. They recently shifted to a new concept and mechanism while improving the enterprise structure, and further aroused the masses to action. As a result, economic efficiency was raised and reform deepened in a correct orientation.

Third, the principle makes clear the importance of politics in reform.

State enterprise reform is an activity of major political importance as well as an effort to change the old enterprise system. The important political principles include wholeheartedly relying upon the working class, giving full play to the party's role as the political nucleus, and fully arousing the enthusiasm of workers and enterprise operators. To deepen enterprise reform, it is necessary to implement these principles in words and in deeds. The broad masses of workers and staff in enterprises are displaying great enthusiasm. They have also a strong tolerance for reform as well as enormous potential. In addition, they cherish their enterprises and pin great hopes on the leadership.

Fourth, the principle highlights the sense of overall interest. While introducing reform into enterprises one by one, namely while addressing individual problems, we have to take overall interest into account. We must proceed from the development of the national economy as a whole in all cases, so we must do a good job in enlivening large enterprises essential to the national economy and the people's livelihood. Besides, in rescheduling debts and introducing foreign capital, we must make sure the relevant plans are beneficial to the national economy as a whole. Sometimes the part must be subordinated to the whole. For instance, certain enterprises can be required to restructure their assets in a purposeful way in the overall interest, on the condition that their interests not be affected. Again, we must exercise effective control over the fields open to foreign investment and over the percentage of shares held by foreign investors to prevent excessive loss of domestic market shares and to protect the state-owned economy. Clearly, we cannot stress partial interest to the neglect of overall interest.

PRC: Regions Expected To Press for Relaxing Austerity Policy

HK1707075496 Hong Kong SOUTH CHINA MORNING POST in English 17 Jul 96 p 1

[By Willy Wo-Lap Lam]

[PTS Transcribed Text for FBIS] China's regional leaders are expected to join forces at a key meeting at Beidaihe next month in an attempt to force Beijing to further relax the tight-money policy.

Party secretaries, governors and mayors from the provinces and large cities will soon leave for the northern resort, the scene of annual brainstorming sessions.

Chinese sources said after spending a week or so resting, central and regional leaders will plan the coming year's policies in marathon conferences from about August 12.

So far, top leaders including Vice-Premier Zhu Rongji have insisted that the programme of "macro-level adjustments and controls", a code word for the austerity regime, would persist in the foreseeable future.

And extra funds and credits have been made available only to a few hundred carefully selected large-scale state enterprises.

However, optimistic statements and figures released by People's Bank of China Governor Dai Xianglong and other officials, including the fact that the country had achieved "soft landing", have given regional leaders fresh ammunition.

"The high foreign reserves and single-digit inflation rate mean the country can afford to relax the austerity policy," a Guangdong economic cadre said.

The cadre said regional representatives would cite "dozens of reasons" to make their case. For example, more funds are needed to reactivate enterprise reform, which virtually stopped last year.

"Leaders of poorer provinces have threatened that unless the spigot is turned on, entire counties and towns would be overrun by demonstrating workers and farmers," the cadre added.

PRC: Rail Expansion Plans for Southwest Detailed

OW1207010496 Beijing ZHONGGUO XINWEN SHE in English 2352 GMT 11 Jul 96

[FBIS Transcribed Text] Chengdu, July 11 (CNS) — Southwestern China will witness an acceleration of railway construction during the current Five-Year Plan period (1996-2000).

RMB [renminbi] 50 billion, jointly offered by the Central Government and local authorities, will be used to construct four new railway lines and expand two others.

Upon completion of these new lines, the region will have a rail network that is 6,773 kilometres long. This represents an increase of 1,084 kilometres since the end of the last Five-Year Plan (1991- 1995).

Teng Yuming, the director of the Chengdu Railway Administration which is responsible for the railway construction and management in the southwestern region, said the administration's basic policy was to expand the network by building new railway lines and electrifying some existing lines. Mr Teng added that this policy is set to lay a solid foundation for the establishment of an efficient southwestern rail network.

The four new railway lines to be built are between Neijiang in Sichuan and Kunming in Yunnan, between Zhuzhou in Hunan and Liupanshui in Guizhou, between Dachuan and Wanxian, both in Sichuan, and between Liupanshui and Boguo of Guizhou.

The Zhuzhou-Liupanshui line features a double track will be 597 kilometres long. The total cost for this railway line is expected to be RMB 12.7 billion, of which RMB 7.8 billion will be injected into the construction of this line during the current five-year period. The Liupanshui-Boguo line will be about 121 kilometres long and the 41-kilometre Boguo-Hongguo line will be electrified.

It is expected that the railway line between Dachuan and Chengdu, construction on which started during the last Five-Year Plan period, will be completed next year. The Yangping Pass section of the railway line between Baoji in Shaanxi and Chengdu will be completed during the present five-year period.

PRC: Ministry Says Country To Become 'Main' Computer Producer

OW1307064796 Beijing ZHONGGUO XINWEN SHE in English 0635 GMT 13 Jul 96

[FBIS Transcribed Text] Beijing, July 13 (CNS) — According to the Ministry of Electronics Industry, the computer industry will be a pillar industry in China.

According to the ministry's plan, China will be one of the main computer producing countries and the largest computer market in the world by the year 2000 when its computer products valued at RMB [renminbi] 170 billion will be manufactured annually, whilst computer goods worth US\$11 billion will be exported.

Statistics show that China's computer production increased by 20 per cent in 1995 with the total output valued at RMB 55 million and exports hitting a record US\$ 3.6 billion. In 1995, the personal computer market was the most active domestically; one million personal computers had been sold in the whole year.

In 1995, there were 80,000 data banks, 14,000 computing centres, 1.05 million microcomputers, 25,000 computers for industrial use and 150,000 computers used in retail trade across the country.

The output of software in 1995 was over one billion pieces, amounting to one-third of the world output. The annual output value of software was RMB 7 billion, representing a 40 per cent increase compared with the year before.

Presently Chinese made computers has made up a 40 per cent share of the domestic market. In 1995, RMB 10 billion computers and software were sold by two leading domestic computer companies Legend Group and Great Wall Group.

PRC: Beijing Closes Illegal Traditional Medicine Markets

OW1407123796 Beijing XINHUA in English 1223 GMT 14 Jul 96

[FBIS Transcribed Text] Beijing, July 14 (XINHUA) — China has closed more than 80 traditional Chinese medicine markets in the past two years that were operating illegally, it was disclosed here today.

At a national conference held by the State Administration of Traditional Chinese Medicine and other state departments, officials said that a total of 117 markets have been examined in accordance with a 1994 government notice on management of the markets.

Eight local markets were allowed to continue business, said Ren Dequan, deputy director of the administration, who explained that the move was to ensure the quality of medicine and citizens' health and safety.

Traditional Chinese medicine has been in practice in China for thousands of years, using medicinal trees, leaves, plants, and herbs, along with acupuncture and moxibustion to cure diseases.

PRC: Nationwide Survey Launched To Study Workers' Lifestyles

OW1607064796 Beijing XINHUA in English 0630 GMT 16 Jul 96

[FBIS Transcribed Text] Beijing, July 16 (XINHUA) — A nationwide survey designed to learn more about the lives of workers will be conducted in September by

China's State Statistics Bureau (SSB), the ministries of labor, civil affairs and public health, and the People's Bank of China.

The survey, to be carried out in 72 cities, including 30 provincial capitals, will cover every area of the workers' lives, including what they eat and how much they spend on clothing, their housing conditions, health, education and entertainment choices.

The survey also is aimed at discovering workers' values in regard to education, employment, purchasing power, and their everyday lives.

An official from SSB said that the survey is meant to unveil the big changes which have taken place in the lives of the Chinese workers in the 18 years since China opened itself to the outside world and initiated reform policies.

He said that the surveyors are seeking first-hand information about the lives of low-income workers.

Data produced from the survey is also expected to be used as a tool to improve workers' lives.

Officials said that if the surveyors find any conducts which have a negative effect on workers' lives and development, or harm their rights and interests, the wrongdoings will be exposed in the media and penalized by the proper authorities.

By the end of last year, there were 306.77 million wage-earners in China, 64 million more than in 1990.

PRC: Labor Law Protects Workers Rights

HK1607081196 *Beijing CHINA DAILY in English*
16 Jul 96 p 4

[By Cao Min: "Law Protects Workers' Rights"]

[PTS Transcribed Text for FBIS] Since early 1995, when the Labour Law was first implemented, nearly 90 per cent of Chinese workers have signed labour contracts with their employers, as the system of permanent employment gives way to performance-based employment, Labour Minister Li Boyong revealed recently.

Speaking last week in Beijing at a national conference on the implementation of the Labour Law, Li said that most employers — including those in State-owned enterprises and overseas-funded and township firms — are conscientiously observing the new law under the leadership of local governments.

And workers are taking the new law seriously, too. More and more are learning how to protect their legitimate rights and interests as workers.

By the end of May this year, some 95.66 million people were employed by enterprises that have implemented

the labour contract system, a figure equal to 88.7 per cent of business employees nationwide.

The transition away from secure, permanent employment is an important element in the reform of State-owned enterprises.

It is also a sign that labour relations have been channelled onto legal tracks, Li said.

For example, Gansu Province's Lanzhou No 3 Wool Textile Group Ltd Co set up a scientific system to assess technical proficiency and check on its contract-labour employees.

At that company, the reform has not only resulted in a new employment system but has also greatly improved the firm's economic performance, while other State-owned enterprises in the wool trade have been in a depressed trend.

Last year, the firm's output value increased 5.2 per cent, and its income from sales increased 22 per cent over the previous year. And in the first five months of this year, output value grew 12 per cent, and sales income grew 5.3 per cent more than in the same period of last year.

State-owned enterprises have made remarkable progress in implementing the labour contract system, which is stipulated by the Labour Law, while it is proving quite difficult to implement the system in rural enterprises and private businesses.

Labour departments will focus on supervising and speeding up the establishment of the labour contract system in rural enterprises and private businesses in the latter half of this year.

At the end of 1994, China set the goal of establishing preliminarily labour contract system nationwide by the end of 1996. Given the progress that has been made so far, Li said his ministry expects the goal to be accomplished.

In line with the Labour Law, local governments have set minimum wages. Last year, 28 out of the 30 provinces, municipalities and autonomous regions made local minimum-wage levels, and some raised the figure this year based on the development of the local economy.

Wage

Li said that all local governments should fix minimum-wage levels and should help debtor enterprises to comply with those levels.

As for hours of work, since May 1, 1995, the State Council's decree calling for a five-day national work

week has been endorsed by all provinces and municipalities, and all have adopted effective measures to implement the new schedule.

The regulations on the five-day work week note that enterprises claiming special difficulties in adopting the measure, such as railways and civil aviation, will be given grace periods to implement the new system.

The five-day work week has given workers better incentives to work hard, improved management and raised efficiency, Li said.

By the end of this year, 90 per cent of the State-owned firms, 50 per cent of collective firms and more than 30 per cent of other enterprises must change their old work schedules so as to implement the five-day work week system completely by July 1, 1997, Li added.

To enforce the Labour Law, the Ministry of Labour is drafting a series of laws and regulations, including a law for the promotion of employment, regulations for unemployment insurance, and a law about industrial safety and health. These laws and regulations are expected to take effect during the Ninth Five-Year Plan (1996-2000).

China's top legislative body will conduct a large-scale campaign to monitor enforcement of the Labour Law nationwide, said Ni Zhifu, vice-chairman of the National People's Congress (NPC) Standing Committee.

"The inspection is expected to correct the problems of neglect of the law, lax law enforcement and insufficient punishment for illegal activities," Ni said.

It also should educate the public, as well as officials and judicial officers, about the law, and enhance their awareness of the necessity to abide by the law and protect their interests by it, Ni said.

The daily lives of some employees are affected by the difficulties of the State-owned enterprises they work for, as some managers regard the protection of their employees' rights and interests as an obstacle to financial profit.

Disputes

Some enterprises, especially those that are foreign-funded and private, are experiencing more labour disputes with their employees, whose legitimate rights and interests are occasionally threatened, according to officials from the Ministry of Labour.

To tackle those problems, the Labour Ministry, the State Commission of Economy and Trade, and the All-China Federation of Trade Unions have demanded that localities take effective measures to implement the Labour Law in a firm and even-handed way.

China conducted a nationwide check-up on the employment system of the overseas-funded and private businesses from April to June, and will examine publicly owned enterprises, rural enterprises and small private businesses in urban areas, in an effort to ensure the establishment and effective implementation of the labour contract system.

PRC: Two-Thirds of Country Can Survive Moderate Earthquake

OW1607140696 Beijing XINHUA in English
1350 GMT 16 Jul 96

[FBIS Transcribed Text] Beijing, July 16 (XINHUA) — According to a news conference held here today to mark the rebuilding of Tangshan, a city that was demolished by a strong earthquake on July 28, 1996, about two-thirds of China's area have been designated protection zones against moderate earthquakes.

Buildings and facilities in the zones are equipped with anti-earthquake devices and disaster relief measures, and have been tested by several destructive earthquakes.

A nationwide anti-earthquake and disaster relief management system has been established, and by the end of 1995, two-thirds of the large cities and important industrial and mining areas had worked out their own anti-earthquake and disaster relief programs.

"They are following their plans and making great improvement in their anti-earthquake measures," said Ye Rutang, vice-minister of construction.

Consolidation projects have been completed for most key infrastructure, such as for energy, communications, and water resources, and for a number of medical facilities and residential areas.

The anti-earthquake regulation on construction projects, issued by the Ministry of Construction, has provided a legal basis for carrying out the anti-earthquake and disaster relief work in construction.

PRC: Private Science Park Welcomed by Enterprises

OW1707014196 Beijing ZHONGGUO XINWEN SHE
in English 2315 GMT 16 Jul 96

[FBIS Transcribed Text] Nanjing, July 16 (CNS) — As if to mark the second anniversary of the non-governmental Nanjing science park in June, another four enterprises have agreed to open businesses in the park. The agreements bring to 70 the total number of enterprises now operating in the park.

Founded in June 1994, the Nanjing science park is the second of its kind in China. Boosted by a series of preferential policies in the areas of land grant, taxation, registration procedures, capital financing, technical support and labour affairs offered to enterprises by the Nanjing municipal government, a large number of young, enterprising scientists have been persuaded to embark on new ventures in Nanjing.

At present, 43 of the enterprises have already come into operation, representing an overall fixed-asset investment of over RMB 500 million. According to the science park's management, by the end of 1996 output is expected to reach RMB 240 million, and profits are expected to reach RMB 39 million. Last year's figures were RMB 120 million and RMB 22.8 million respectively.

PRC: Beijing To Adopt Measures To Ensure Fishing Safety

OW1707083896 Beijing XINHUA in English
0718 GMT 17 Jul 96

[FBIS Transcribed Text] Beijing, July 17 (XINHUA) — Safety measures for Chinese fishermen is to be stepped up after hundreds lost their lives bringing sea food to the tables of families in China.

Just under 600 fishermen died and 742 fishing boats sank during sea tragedies in 1995 alone. The incidents caused direct losses of 270 billion yuan. The deaths were 38 percent higher than the previous year and the number of boats lost was virtually double the 1994 toll.

In the wake of the sea disasters China has announced it is to adopt a series of measures to guarantee fishing safety, according to an official at the Ministry of Agriculture.

The measures will include education of fishermen in fishery safety, paying more attention to checks on fishing boats and at fishery ports, and on the manufacture of fishing boats, said the official.

China will also encourage the owners of the boats to carry out mutual help, and join insurance services, to set up a complete fishery social security system.

He noted that fishing is a industry of high risk, adding that the current circumstances of fish safety is not satisfactory.

Most of incidents in which men died, and boats sank, were caused by natural disasters, collisions with larger boats and incorrect operation, said the official. He added that fishermen's poor awareness of security, and an inadequate fishery social security system also posed problems for the industry.

An insurance association of boat owners, set up in 1994, has played an important role in helping fishermen to deal with incidents.

Last year the association provided 230,000 yuan in compensation for fishermen.

PRC: Cable TV Equipment Enjoys Brisk Market Prospects

OW1707111196 Beijing XINHUA in English
0729 GMT 17 Jul 96

[FBIS Transcribed Text] Beijing, July 17 (XINHUA) — China has more than 3,000 cable TV stations, making the cable TV equipment market lucrative and appealing to suppliers.

China's "PEOPLE'S POSTS AND TELECOMMUNICATIONS NEWS" has reported that developing the information super highway in the country will be impossible without the construction of infrastructure network facilities.

Using cable TV networks as the foundation of the information super-highway conforms to China's actual conditions, the report said.

Personal computers are still far from popular in China, while TV sets are very common in most households: up to 98 percent of the people in large and medium-sized cities have TVs, which can play a greater role in forming China's advanced information network, according to the report.

Statistics show that more than 30 percent of China's townships and villages have set up cable TV networks. The country has about 40 million cable TV network subscribers, and about five million people will sign up for cable services every year.

The huge market has already drawn a growing number of overseas companies to invest in China's cable TV equipment market.

Agriculture

PRC: Commentary Urges Improved Work on Rural Prices

HK1807055496 Beijing RENMIN RIBAO in Chinese
14 Jul 96 p 1

[Commentator's article: "Strengthen Price Control in Rural Areas"]

[PTS Translated Text for FBIS] Price has a direct bearing on the peasants' interests, so it is an issue of the greatest concern to the peasants, a most sensitive issue in rural areas. Improving the work on rural prices

has become an emergency task for implementing the party's rural policies, lightening peasants' burdens, and establishing close relations between the party and the government and the masses of peasants.

The rural economic operations are being plagued by excessive fluctuations in the prices for important agricultural products, the staggering and confusing prices for the means of agricultural production, and agriculture-related charges of every description. All these problems, which are fairly serious in some places, have dampened peasants' enthusiasm for production. These problems give comprehensive expression to various contradictions arising in the process of economic development and economic restructuring. However, inefficient work on rural prices; the difficulty in implementing state policies on prices in many places; and failure to curb unauthorized price hikes, service charges, and financial levies, are, among others, the factors preventing these problems being settled for a long time.

Improving work on rural prices serves as an important foundation for attaining the goal of macrocontrol and for basically keeping the national price level stable. As the continued development of the commodity economy in rural areas has constantly increased the share of the rural market in the unified national market, so the price level in the rural market has an increasingly great impact on the general price level in the market as a whole; and as food expenses account for about 50 percent of popular expenditure on consumption, in addition to the impact of the price of industrial consumer goods made from agricultural products, so the price level of agricultural products constitutes a key factor affecting the general price level. Therefore, in a sense, the key to stabilizing prices lies in agriculture.

Improving work on rural prices provides an important guarantee for rational allocation of rural resources and for promoting rural comprehensive economic and social prosperity. With the development of the socialist market economy, the law of value and the law of supply and demand play an increasing bigger role. What plant and how much of it the peasants will grow is mainly decided by the levels of the price, cost, and profit. Whether the price mix of agricultural products is reasonable exercises a direct influence upon the allocation of the rural resources. Over a long period, the supply of farm produce has been unstable, so if the supply of a certain agricultural product was slightly greater than the demand, a sharp price dive would ensue. Consequently, the peasants would suffer losses because no timely measures were taken to protect their interests; "low prices for grain hurt the peasants"; and there were drastic ups and downs in agricultural production. Our experience, positive and negative, has told us that

as the market economy grows further, there is all the more need to improve work on rural prices, to protect and support agriculture through price control, to offset the negative impact the market mechanism has on agriculture, and to promote sustained and stable development in agriculture.

At present, the development in the work on rural prices remains uneven, and in general the work is inefficient. In some places, the basic-level institutions do not keep a sufficient number of people working in them, fail to exercise supervision as required, and lack the large numbers of qualified personnel necessary to fulfill their herculean tasks. Efforts must be made to reverse this situation as soon as possible. This newspaper runs a report today on how Linyi County, Shanxi, has energetically introduced a new price control mechanism to solve "hot-spot" problems concerning hydroelectric charges and other service charges. The story indicates so long as we uphold the party's rural policies, proceed in all cases from reality and the interests of the peasants, we can certainly improve the work on rural prices as the old economic system is being replaced by a new one.

PRC: Nationwide Cotton Purchasing Campaign Makes Headway

*OW1707131096 Beijing XINHUA in English
1117 GMT 17 Jul 96*

[FBIS Transcribed Text] Beijing, July 17 (XINHUA) — China has purchased 3.5 million tons of cotton so far this year, about 350,000 tons more than last year's total purchasing volume, according to sources of All-China Federation of Supply and Marketing Cooperatives.

With the remarkable efforts of local supply and marketing cooperatives, which are the grassroots cotton purchasing centers, and the cooperation of relevant departments, the country's cotton purchasing, which began on September 1, 1995, is well under way, the federation said.

In the nationwide cotton purchasing campaign, no IOU notes have been issued to farmers this year, thanks to a sufficient money supply by central government.

The cotton purchasing of the fiscal year 1995 is expected to be completed at the end of August.

***PRC: Sichuan Reports Wheat Procurement**

*96CE0335R Chengdu SICHUAN JINGJI RIBAO
in Chinese 10 Jul 96 p 1*

[FBIS Summary] As of 15 June, Sichuan Province had put 622 million kilograms of contracted grain in storage, of which 420 million kilograms were wheat. During the

same period, 190 kilograms of rapeseeds were put in storage, fulfilling 34.5 percent of the task.

***PRC: Sichuan Province Sets Grain Procurement Prices**

96CE0335Q Chongqing XINAN JINGJI RIBAO
in Chinese 4 Jul 96 p 2

[FBIS Summary] The Sichuan provincial price bureau and provincial grain bureau have set the following grain

procurement prices for this year. The procurement price for medium grade wheat is 1.36 yuan per kilogram, medium grade rice is 1.44 yuan per kilogram, and medium grade corn is 1.44 yuan per kilogram. These procurement prices are uniform throughout the province. This year a guaranteed price will be implemented for rapeseeds, the guaranteed price for medium grade rapeseeds is 2.60 yuan per kilogram.

Northwest Region

PRC: Shaanxi Governor Discusses Economic Strategy

SK0207132796 Xian SHAANXI RIBAO in Chinese
15 May 96 pp 5, 6

["Excerpts" of third part of speech by Shaanxi Governor Cheng Andong at Xian Jiaotong University's Science Center—date not given; first graf is editor's note]

[FBIS Translated Text] Governor Cheng Andong gave a full-length speech on strategic issues in the economic development of Shaanxi Province and central and western China to experts and scholars at the lecture hall of Xian Jiaotong University's Science Center, which the magazine "JINGJI GUANLI LUNTAN" [ECONOMIC MANAGEMENT FORUM] published in full. There were three parts to this speech. The first and second parts discuss the current situation in the economic development of central and western China and Shaanxi as well as Shaanxi's position and role, and the third part discusses the strategic thinking on the economic development of Shaanxi Province. This speech gives great guidance to Shaanxi's economic work from a strategically advantageous position, and generated a strong response from experts and scholars. Excerpts of the third part are published below, and we hope that the responsible comrades of various places and departments as well as the broad masses of readers will draw inspiration from it.

In order to realize Shaanxi's set targets and clear position and role, we should formulate a development strategy suited to the actual situation of the province. Without such a development strategy, it will be hard to mobilize and unify everybody's ideology, to coordinate everybody's actions, and to boost the enthusiasm of people of the entire province. As long as we define strategic targets, unify ideology, and immerse ourselves in hard work, realizing our target in five years will be possible. As far as the guiding principles for long-term strategic development are concerned, we should continuously adhere to the strategic development principle of "laying a good foundation through education and invigorating Shaanxi with science and technology." With regard to strategic layout, we should focus on developing central Shaanxi and expedite the development of southern and northern Shaanxi. At present, our strategic priority is to use opening up to promote exploitation and use exploitation to seek development. Judging from the present situation, the whole province has reached the same view towards it. It is to our advantage to lay a good foundation with education and to invigorate Shaanxi with science and technology. Our scientific and educational strength is fairly strong, a fact evidenced by our current achieve-

ments and the average of 10,000 college students, which is higher than the national average level, and the average number of illiterates in 10,000 persons, which is lower than the national average level. Judging from the current situation, what we have adhered to is correct and compatible with the guiding principle of invigorating China with science and education as put forward by central authorities. Judging from the development trend of the whole world, the role of science and technology as primary productive forces has been brought into play in all social systems. Now that we have defined the long-term target, what problems need resolving so that we can expedite our development? In reviewing our work, the key problem is that our endeavor of opening up is insufficient. Owing to this reason, our thinking and ideas do not suit the development of the market economic system reform; and we fail to promptly seize the opportunity to handle or resolve the issues which other provinces can handle well or resolve readily. This is the key problem. Therefore, reform is the motivational force and the basic means for development. Reform requires fairly new viewpoints, so we should emancipate our mind in line with the guidelines of the 14th National Party Congress. Emancipation of the mind cannot be achieved merely by giving reports. With so many newspapers, reports, and information, why do we still fail to emancipate our mind? In my opinion, leaders should emancipate their minds first so that the masses can follow suit. But this requires the practice of opening up. If China had not established special zones, such a good situation in reform and opening up would not have existed, and if we had no open coastal cities, it would have been impossible to develop economic development zones in coastal areas. Development of coastal areas was promoted on account of the special zones and 14 open cities. A significant change has taken place in Xian after it was designated by the state as an open city two-odd years ago. By the end of 1992, there were only 78 foreign-funded enterprises in Shaanxi, with a total output value of less than 900 million yuan. But now, there are three types of foreign-funded enterprises which have been established or are being established exceed 1,800, in addition to nongovernmental scientific and technological enterprises and three types of foreign-funded enterprises which account for a large part of the high- and new-tech development zones.

We were backward in the past because we fell behind in opening our province to the outside world. From now on, to expedite development, we should further emancipate the mind; and to emancipate the mind, we should rely on the practice of opening up.

Though I have provided an analysis of Shaanxi's many advantages and potentials, if we fail to add impetus

to exploitation, it will be hard to promote Shaanxi's development. I have just discussed emancipation of the mine from the viewpoint of reform. Now, I will discuss the principle that only by exploitation can we realize development. Success cannot be achieved if coal is not exploited as a power and industrial chemical source, if oil and natural gas are not extracted, and if downstream products are not exploited. But exploitation requires funds, and where can we get funds? In 1996, though we strived in every possible way to get financial support from banks and relevant departments, total input was a mere 30 billion yuan, even though the cost for building the railroad from Xian to Ankang is 11 billion yuan. Apparently, the investment of 30 billion yuan is far from reaching the investment in coastal areas. Although we should avoid launching new projects, the investment is necessary in areas of improving people's livelihood, education, science and technology, adequate housing projects, and agriculture. Therefore, money is the key to exploitation, and exploitation, which cannot be achieved directly, requires advance development of infrastructure. Without adequate infrastructure, our coal cannot be transported out. This is the same as having no coal at all. Judging from the viewpoint of introducing foreign capital, we should also focus on exploitation. Only by having our products enter both domestic and international markets can we have technical measures, technological level, and industrial quality gradually attain international standards. This also requires exploitation. Judging from the perspective of foreign trade, economic relations, and capital, we should also focus on exploitation. In order to expedite exploitation, we should not only rely on our own efforts but also rely on the state's investment and rely on attracting investors at home and abroad to participate in exploitation. This is the reason why we put forward the strategic thinking of using opening up to promote exploitation and using exploitation to seek development. Therefore, in line with the strategic thinking for the last five years of this century, the impetus of exploitation should be increased, development should be expedited, and the scale and quality of development should be pushed to a new stage.

Since our strategic priority has been put forward, we should also define strategic layout. With all the 10 prefectures and cities in Shaanxi now wanting to launch new projects, what should we do? As everyone knows, Shaanxi encompasses an area of 210,000 square km, but, very notably, it is a belt-shape province, with the length from south to north at 1,200 km and that from east to west at a mere 400 km. Thanks to Lanzhou-Lianyungang Railway, central Shaanxi enjoys fairly good economic development and a relative concentration of scientific and technological strength and indus-

tries, and we have thus come up with the idea of developing central Shaanxi on a priority basis.

To develop central Shaanxi, we should take the Xian High- and New-Tech Industrial Development Zone as the lead to build a high- and new-tech development belt in central Shaanxi and use new-tech industries to expedite its development. We should focus on developing central Shaanxi with new technologies and industries so as to enhance the economic quality of the entire province.

At the same time, we should expedite the development of southern and northern Shaanxi. In northern Shaanxi, we should build the bases of energy and heavy chemical industries as well as expedite the exploitation of coal fields, oil, natural gas, and gasification and petrochemical projects. The prospect for this area has become tangible. In order to expedite the exploitation of Shenfu coal field, the state has established a Shenhua company that is separate from the Huaneng company to specialize in the exploitation of Shenfu coal mine. But we are still faced with the problem of coordinated development of coal mines, railroads, and ports. In 1996, the railway track will be laid to Shuoxian county, and the project of Huanghua port will be started. In line with the state's plans, by the end of this century, railways will be extended to Huanghua port, and finally, a good-quality coal base with annual production capacity of 50 million tonnes in areas around Shenfu and Yulin will be built. At the same time, two large power plants both with an installed capacity of 2.4 million kilowatts will be built, one by Shenhua company in Shenmu, and the other by local department in Fugu or Yulin. If we transform coal into electricity, the power transmission cost will be lower. Starting with the initial exploitation of coal mines, Shenmu and Fugu counties will become counties with financial revenues surpassing 100 million yuan this year. The exploitation of coal mines has drawn great attention from central authorities. As far as the exploitation of natural gas is concerned, we have held thorough discussions with the China National Petroleum Corporation recently. Natural gas exploitation has started across the board, and an exploitation capacity of 3 billion cubic meters has been prepared. Well-drilling teams will be transferred from Zhongyuan oil field to expedite the prospecting and exploitation of oil and natural gas. At the same time, the state is planning to launch five more 300,000-tonne synthetic ammonia projects. We will resolutely put Weihe chemical fertilizer plant into operation this year and then start the Yulin project to transform synthetic ammonia into urea on the spot and make the annual production capacity of synthetic ammonia and urea respectively reach 300,000 tonnes and 520,000 tonnes. The 30,000-tonne methanol

project has been developed well, and the production capacity will be increased to 90,000 tonnes soon. Beijing is very enthusiastic about the exploitation of natural gas, demanding that the natural gas of northern Shaanxi be delivered to Beijing by 30 September 1997. I asked Li Qiyang if this was true. He said yes. This poses a great pressure on us. If the gas is supposed to be delivered to Beijing by 30 September, it should be delivered to Xian by 30 June. Therefore, we should be determined to start laying pipelines, and investment should be 700 or 800 million yuan. Now we are urging talented persons to settle down here, saying we will build comfortable houses for them. But if new houses are still using honeycomb briquets for fuel, we cannot allow them in our province. Therefore, we should enhance the rate of urban gasification and make up our mind to deliver natural gas to Xian, Xianyang, and some cities in central Shaanxi. In this way, as more and more people in Beijing and Xian use natural gas, and as the chemical industry uses natural gas for transformation, the exploitation of natural gas can be promoted. This is also the case with petroleum. I have mentioned above that our crude oil capacity can be increased to 3 million tonnes this year and to 5 million tonnes by the end of this century. A capacity of 5 million tonnes, equal to that of a medium oil field in China, is sufficient. It can be regarded as a large oil pool. We are presently planning to concentrate on the expansion of Yanan oil refinery and build it into a large-scale refinery capable of refining 2.5 million tonnes. Therefore, our new plan is to designate northern Shaanxi as the base of energy and heavy chemical industries and to develop accordingly.

With regard to southern Shaanxi, we should focus on the exploitation of biological resources and the Han Jiang industrial corridor. In addition to three power stations in the lower reaches of Han Jiang, two power stations have been built. After the power stations in Min Jiang are completed, it will be completely possible to establish a regional economic belt with power industry as the motivational force. Southern Shaanxi is full of other potential in addition to the exploitation of biological resources and nonferrous metal.

Our strategic layout lays different stress in line with the characteristics of southern and northern Shaanxi and central Shaanxi. The focus is developing central Shaanxi, and the direction is to develop high- and new-tech industries. People are discussing building a silicon valley in central Shaanxi. If we cannot achieve this, we should at least gradually establish a high- and new-tech industrial belt. It seems that the base of energy and heavy chemical industries in northern Shaanxi will begin to take shape by the end of this century, and its pace of eliminating poverty in old revolutionary

base areas and making people prosper should be faster than that of southern Shaanxi. This is the center of our strategic thinking, and I hope that all scholars will further discuss this issue.

In order to realize this target, we have been studying the strategies of implementation, and in particular, the issue of opening wider to the outside world. Of course, there are some restrictions on our current endeavor to bring in funds from abroad. Since focus is on direct investment, the state is offering policies to encourage direct investment, and other avenues for attracting funds are somewhat limited.

Many scholars and overseas personages say they have lots of money to lend to our province. But because all the money we borrow needs to first be approved by the state, I ask them to make direct investment in Shaanxi instead of lending money to us. There are many channels for us to borrow money—we can borrow from the World Bank, from the Asia Development Bank, or take out foreign policy loans, and we can borrow as much as they allow. But every penny needs to first be approved by the state. Many comrades do not understand this policy. They wrote letters to complain about my not emancipating my mind for not giving approval for them to discuss lending \$100 million or tens of millions from abroad. Some money can be used, and some cannot, because we do not have the authority to use them even if we wanted to. At present, many people do not really know how to and fail to make a thorough study of the state's policies. They hold many meetings to invite outward investment. They are full of enthusiasm and offer many projects for discussion with the many foreign guests who come to attend. But all discussions fall flat. Why? Because foreign guests think that these people do not fully understand the actual situations of our state and the state's policies, do not speak the languages commonly used in the world, and do not introduce their projects in a way that can be easily understood. For example, in introductory literature, they use many pages to introduce a city or a mayor's speech first and spend the last few pages introducing their projects. Faced with such useless introduction, investors lose interest right from the beginning. Therefore, we should be brief and to the point, and just introduce our economic situation to investors. All others, such as autographs and pictures which we print in so many pages, are useless because investors have no interest in them. Many issues should be handled in line with international practice; and economic and trade talks should be held more tactfully. We should also understand some international languages, by which we do not mean foreign languages, but speaking and acting according to international practice. If we do not understand our own work and

situation, investors will be reluctant to continue their talks with us. Hence, we should let the masses know the policies and plans for inviting outward investment, and through this, we should establish a management system whereby enterprises are the main channels for introducing foreign capital. Government behavior alone no longer works. The government's function now is providing support and enhancing the reputation of enterprises, which should be the key to introducing foreign capital. For example, Jiaotong University and Kaiyuan group have technology which investors lack, so investors are eager to seek mutual cooperation with them. Therefore, we should set up a channel for enterprises and institutions to introduce funds from abroad.

Regardless of public opinion, we should insist on holding the Xian international economic and trade talk every year and make it a regular event as the Guangzhou commodity fair in southern China. We should strengthen our confidence and avoid formalism as much as possible. The ancient cultural and arts festival should be continued and held in a thrifty way. The focus should be on economic and trade talks. International fairs should be held with perseverance. Otherwise, a climate can not be established. We should persistently hold trade talks every year and ultimately make it a regular practice that is extensively known, so that everyone will know when and where trade talks are to be held. This way, we will achieve good results gradually. Without three or five years of endeavor, we will not be able to establish such a climate. Investors and businessmen in the world all tend to arrange their schedule in advance, and if they know that China has spring and autumn commodity fairs, they will consider adding these to their schedule. Therefore, if we work in fits and starts, it will be impossible to invite people to attend our economic and trade talks as they will have made arrangements for their year's activities in advance. Hence, I hope that everybody will support the work of convening the Xian commodity fair. Through several years of efforts, we should establish regular economic and trade talks in central and western China. Though the venue for the fair is small, if we find additional money, we will be able to hold a larger one. The role of this fair can still be improved, and in any case, we should be able to hold some projects to offer every time.

We should make some specific moves for opening up to the outside world. Focusing on opening up, in addition to the two major activities mentioned above, recently, we made plans for People's Bank of China to host a seminar to discuss whether Xian can become the financial center of central and western China, and we also invited some experts from Beijing and Shaanxi's

colleges and universities to attend it. In the course of promoting opening up and development, commodity economy and banking work should be developed ahead of others. Therefore, a discussion was arranged on whether Xian can be built into the financial center of central and western China. According to our analysis, Xian has many good conditions, and the strength of our banking contingents is quite strong. To gear the implementation of the open strategy to international practice, we should make some arrangements and plans. What I have mentioned above is a general idea for overall strategic thinking. In order to carry out this strategy, we should do painstaking and meticulous work.

With regard to the invigoration of Shaanxi by science and technology, recently, we called for fostering high- and new-tech industries, and attend to key projects by stages to promote a shift from speed-oriented efficiency to quality-oriented efficiency in our economy, and really transform science and technology as primary productive forces into top priority efficiency. Recently, the provincial authorities decided to select six major projects which the governor should personally attend to, vice governors in charge should directly attend to, and the provincial government should take a personal interest in.

We have made up our mind to expedite the transformation of scientific and technological achievements through relying on scientific and technological progress. Many people point out that so many scientific and technological achievements of ours are not transformed, and that while we are unable to make use of our scientific and technological achievements, coastal areas do. To resolve this problem, we should focus on the following seven channels. First, the government should make plans for transforming scientific and technological achievements. Second, enterprises should be bold in exploitation, dare to make investments, and apply new-tech achievements to updating and upgrading products. Third, scientific research units and colleges and universities should rely on their own efforts to promote scientific and technological development. Fourth, we should develop nongovernmental scientific and technological enterprises and enable scientific and technological personnel to enter the major battlefield of the economy. Besides, we should train a number of entrepreneurs specialized in scientific and technological work. A fact that inventors, owners of patent rights, and developers gain the greatest profit has been evidenced by Shaanxi's Shan-haidan and thermal insulation materials plant. If we can not only make scientific and technological achievements through our own efforts, but also know how to develop them, we will have great power. I hope that our experts and scholars are both scientists and entrepreneurs.

The Shanhaidean building will be built very soon, and this is the result of self-development. The thermal insulation materials plant is the same — developing one's own achievements with one's own efforts. We hope that social sectors will contribute to training such personnel. Relying on the government's limited funds alone, it is simply impossible to enhance the transformation of scientific and technological achievements. Recently, the news media have reported that 52 percent of the scientific and technological achievements in Yantai have been transformed. This is an incredible achievement. Shaanxi's scientific and technological achievement is more than that of Yantai, but the rates of developing and transforming scientific and technological achievements are both lower than those of Yantai. Therefore, we should place our hope for future development on science and technology. This is our strategic thinking.

How should Shaanxi develop? The first thing is to have a basic idea. We should ascertain our goal, develop strong points and avoid weak points, and give play to our own advantages. This is my opinion. Today I come to this university to consult with you. You have great learning and have access to plenty of domestic and foreign information. We may be restricted by empiricism, but I hope that we will all discuss this issue together. Recently, many articles concerning this issue have been published in newspapers. However, more are written by comrades charged with practical work and few are by Shaanxi's experts and scholars. I hope that our professors will publish more articles, participate in some local seminars, and strive to make themselves better known to their own localities as well as other localities.

We should also pay attention to the tactics and measures for expediting development. The development ideas mentioned above need tactics and measures to materialize. Recently, the provincial party committee called for emancipating the mind, heightening our spirits, attending to major tasks, and successfully carrying them out. Therefore, we should immerse ourselves in hard work because only talk and no action won't do. If the strategic thinking is on the right track, and everybody is of the same view towards it, we should remove obstructions and firmly carry it out without slackening our efforts to the slightest degree. Hence, we should immerse ourselves in hard work and attend to the implementation of work.

In line with the demand of the provincial party committee, the provincial government should develop infrastructure and basic industries and develop high- and new-tech industries simultaneously. We should prevent the emergence of a partial bubble economy and refrain from being eager for quick success and instant bene-

fit. We should develop infrastructure even though we must pay the price of being criticized for another two years. Government functionaries come and go, but our undertakings are developed for coming generations. To curry favor with everyone and win more votes, I, as a governor, can cut down prices or expedite growth rates immediately to get instant benefit. But what will become of you in the future and what will become of next year and the year after? We must never pursue instant benefit. This is why we advocate infrastructure development. We should not take only this year or next year into consideration. We may have difficulties this year and may fail to achieve a big improvement next year. But, by developing infrastructure, we may at least create the conditions for the coming generation to live in a province no longer backward after entering the next century.

The overseas strategy is the last tactic and measure. We should focus on an export-oriented economy, so we should study how to gear the economy of inland areas to the needs of international markets. The guiding ideology of the overseas strategy is: First, we should foster a number of world-level specialists as well as scientific research and education units, who are able to directly participate in technological cooperation and exchange with foreign countries. Second, we should foster a number of large and medium-sized enterprises that are able to directly enter international markets and to establish units abroad to engage in market competition. Third, we should focus on using various traditional relations abroad and win attachment from abroad so as to yield positive results in promoting export-oriented economy. Fourth, we should do a good job in inviting personnel from abroad or sending personnel abroad, and never be afraid that the personnel sent abroad would not come back. We should be broad-minded in letting personnel come and go freely, but I do hope that they still will go back.

Today I briefly discuss the three measures of attending to infrastructure and basic industries, attending to information technology industries, and studying Shaanxi's overseas strategy. We must gear Shaanxi to the needs of the world and make Shaanxi better known to the world. Only in this way can we enter the 21st century with a new stance and satisfy the demands of the people of Shaanxi Province. Shaanxi has not only a glorious history, but also a brilliant future. Therefore, we should exert our real efforts to make brilliant achievements in invigorating Shaanxi. So long as we work with one heart and one mind, unite as one, work hard to make the country strong and prosperous, and overcome current difficulties, we can eliminate our backward situation, gradually narrow the gap between Shaanxi and

coastal provinces, and promote Shaanxi's economic leap forward.

PRC: Uygur Rebels Claim More Attacks on Forces in Xinjiang

OW1007160596 Hong Kong AFP in English
1552 GMT 10 Jul 96

[By Andre Grabot]

[FBIS Transcribed Text] Almaty, July 10 (AFP) — Clashes have taken place between Chinese security forces and Moslem Uygur separatists as the authorities press on with a crackdown in China's northwestern province of Xinjiang, exiled Uygur opposition leaders said Wednesday.

Uygur separatists killed 20 Chinese borderguards on July 4 in an attack in the Kundjerab pass, on the border between China and Pakistan, Yusupbek Mukhlissi, leader of the Uygur opposition United National Revolutionary Front (UNRF), told AFP.

He was speaking in the Kazakhstan capital Almaty, where the governments of Kazakhstan and China last week warned the Uygur ethnic minority against any move towards secession.

The attack on July 4 coincided with a visit to Almaty by Chinese President Jiang Zemin, during which Chinese Foreign Minister Qian Qichen for the first time admitted that there was unrest in Xinjiang.

Five days earlier Uygur rebels attacked a Chinese military column in the Taklamakan desert, which covers one-fifth of the remote province, Mukhlissi said.

The Chinese army arrested several Uygur activists on July 6 and 7 in Kuqa, in the north of Xinjiang, the UNRF said.

A newspaper report in Beijing Wednesday said Chinese police in Xinjiang had arrested a local parliamentary deputy, Aisha Awazi, for engaging in illegal religious activities.

The Xinjiang Legal News said Awazi was arrested in June in Aketao County.

According to the newspaper, Awazi had appointed himself imam, or senior Moslem cleric, in 1992 at a mosque in Aketao, where he organised 120 Moslem activists who criticised Communist Party policies and denounced party officials as "pagans."

Despite being formerly rebuked by the authorities in May, Awazi "continued to organise believers to attack party members," the report said.

Since April 20 the Chinese army has arrested more than 5,000 Uygurs now being held in camps in the Xinjiang towns of Karamay and Yanji, according to the UNRF.

Turkic-speaking Moslem Uygurs form at least 10 million of the more than 15-million population of Xinjiang.

The region borders the central Asian states of Kazakhstan, Kyrgyzstan and Tajikistan, which gained independence with the collapse of the Soviet Union in 1991.

Separatist unrest in Xinjiang has increased since a joint border security accord was signed at the end of April between China, Russia, Kazakhstan, Tajikistan and Kyrgyzstan.

At a summit in Shanghai the leaders of the five countries signed a military confidence-building treaty, setting up a buffer zone of nearly 1.5 million square kilometres (600,000 square miles) between China and the former Soviet Union.

In May the Chinese authorities in Urumqi, the main town in Xinjiang, acknowledged the arrests of 1,700 "terrorists, separatists and criminals" and said a dozen had been executed on May 14.

The UNRF said that several weeks ago the authorities banned construction of new mosques in Xinjiang.

On May 21 Urup Khaji, imam of the mosque in Kashgar, Xinjiang's second town, was assassinated by "radical Uighur nationalists," the UNRF said. The separatists accused him of pursuing a pro-Chinese policy.

The UNRF Wednesday named several Uighur rebel commanders operating in Xinjiang.

Ghaphar Shakhia, 50, heads an armed group called the "Tigers of Lop Nor" in the Taklamakan desert. His political movement is called "Spark of the Motherland."

The movement's political leaders are: Abdullah Kassim in Kuqa and Shakh Niaz in the Altai mountains of northern Xinjiang.

The UNRF said it did not get help from abroad, but added that at least 100 Uygurs were fighting alongside the Taliban Islamic guerrillas in Afghanistan.

PRC: Xinjiang Authorities Deny Mass Arrests

OW1207072596 Hong Kong AFP in English
0613 GMT 12 Jul 96

[FBIS Transcribed Text] Beijing, July 12 (AFP) — Authorities in China's far northwestern region of Xinjiang dismissed Friday reports of massive arrests of Moslem separatists as mere rumour.

"The sources for this information are completely unreliable and the information itself is nothing more than false rumour," a spokesman for the Xinjiang provincial legislative and political committee told AFP.

The spokesman was responding to reports from the capital of neighbouring Kazakhstan, Almaty, where exiled opposition leaders from Xinjiang's ethnic Uighur population claimed 18,000 Moslem separatists and their supporters had been arrested in the past three months.

"That figure is absurd," the spokesman said, adding that since the launch of a national anti-crime campaign in April, the total number of criminals — including separatists — arrested in Xinjiang numbered only several thousand.

According to the Uygur leaders in Almaty, the authorities in Xinjiang launched their crackdown on separatists in April after China signed a border security pact with the former Soviet republics of Russia, Kazakhstan, Kyrgyzstan and Tajikistan.

While pointing to official pledges from the presidents of all four republics not to support separatist activities in Xinjiang, the Chinese spokesman admitted that individuals were continuing to organise terrorist operations.

"Like any country in the world, we are opposed to terrorism," the spokesman said.

"Any foreign national who is caught on Chinese territory organising such activities will be punished with the full might of the law," he added.

Unrest in Xinjiang, China's only Moslem majority region, has flared repeatedly in recent years, and Beijing's fears of growing separatist feeling were fuelled after the collapse of the former Soviet Union and the emergence of Islamic fundamentalism in the newly independent Central Asian states.

PRC: Xinjiang Public Security Official on Splittism

OW1707000896 Urumqi Xinjiang Television Network in Mandarin 1330 GMT 16 Jul 96

[Announcer-read report from the "Xinjiang News" program]

[FBIS Translated Text] In an interview with reporters on 15 July, (Liu Yaohua), deputy director of the autonomous regional public security department, who was responsible for cracking the case in which Mullah Aronghanaji, vice chairman of the autonomous regional Chinese People's Political Consultative Conference committee and leader of the Aitiduo Mosque in Kashi, and his son were physically attacked on 12 May, pointed out: The fact that the case was solved promptly

once again proves that people of various nationalities are powerfully backing us to oppose national splittism.

After Mullah Aronghanaji and his son were attacked on 12 May, public security personnel quickly organized teams to crack the case. Several tens of thousands of local people of various nationalities also rapidly joined in the search for the culprits. The offenders tried to hide in many places.

On 27 May the offenders escaped to (Alali) Township, Shule County, looking for food and water. Noticing that they were questionable, local villagers immediately reported them to the local police station. During the encirclement for their arrest, the offenders resisted arrest, opened fire, killed someone, and escaped. Local people were very angry, left their work in the fields, and joined in the chase for the culprits. Even though the offenders were still firing their guns while escaping, the local unarmed peasants were not afraid at all. They chased them by foot for over 20 km in the Gobi Desert, and promptly provided the correct positions of the offenders to the public security personnel who were chasing the offenders.

Deputy Director Liu Yaohua said: The search-and-arrest struggle once again proved that to properly carry out public security work we must resolutely uphold the policy whereby we should pursue the mass line while performing special tasks, and that we must fully trust and depend on the masses. Only then can we most effectively isolate and crack down on a very small number of national splittists.

PRC: Xinjiang Secretary Urges Stability

OW1507150796 Urumqi XINJIANG RIBAO in Chinese 30 Jun 96 pp 1, 3

[Text of speech by Wang Lequan at Xinjiang autonomous regional meeting to commend advanced basic-level party organizations and outstanding party members, 28 June 1996: "Unite and Lead the Masses of People To Achieve Xinjiang's Stability and Development"]

[FBIS Translated Text] Comrades:

While celebrating the 75th founding anniversary of the CPC, the autonomous regional party committee held a meeting to commend advanced basic-level party organizations and outstanding party members and party workers. This will play an active and stimulative role in thoroughly implementing the guidelines of the fourth and fifth sessions of the party's 14th Central Committee and important directions of the central authorities on Xinjiang's work, further promoting its party building.

comprehensively strengthening the work of safeguarding stability, and in accelerating the region's socialist modernization. On behalf of the autonomous regional party committee, I extend my heartfelt respects to the 100 advanced basic-level party organizations and 200 outstanding party members and party workers whom were commended at this meeting and my sincere regards to the basic-level party organizations and the vast numbers of party members and party workers in all trades and professions throughout the region.

In the past, the autonomous regional party committee has scored marked achievements in upholding and improving party leadership; strengthening party building; and doing a good job of reform, development, and stability work. Taking economic construction as the center of their endeavors, party organizations at all levels have actively met the requirements of the new situation and of establishing a socialist market economic structure; concentrated great efforts on strengthening the party ideologically and organizationally and on improving its work style; continuously enhanced their ability to lead as a ruling party; and brought party organizations' role as a powerful fighting force and party members' exemplary vanguard role into full play. Consequently, advanced basic-level party organizations and outstanding party members and party workers who have made outstanding contributions have come to the fore in large numbers. The advanced basic-level party organizations and outstanding party members and party workers commended at this meeting are their prominent representatives. They earnestly study Marxism-Leninism-Mao Zedong Thought and Deng Xiaoping's theory on building socialism with Chinese characteristics, have firmly implemented the party's basic lines and various principles and policies, and have brought their role as a powerful fighting force and their exemplary and vanguard role into play in the building of two civilizations. They have achieved a high degree of unity with the party Central Committee ideologically, politically, and in action; strengthened national unity; opposed national division; and safeguarded the motherland's reunification. They have a strong devotion to and a sense of responsibility for the revolution; keep forging ahead while constantly opening up new prospects in work; are realistic as well as honest and upright; maintain links with the masses; are the first to bear hardships and the last to enjoy comforts; and have displayed lofty ideological and ethical sentiments and the spirit of selfless devotion. Their experiences and deeds have shown, in a concentrated way, the mental attitude of basic-level party organizations and the fine qualities of party members of today, and they are the advanced models of our age. Today, we solemnly commended them to propagate their advanced experiences and deeds; set up models; encourage healthy

trends; further promote the building of basic-level party organizations and the contingent of party members; encourage the vast numbers of party organizations as well as party members and party workers of all nationalities to bring their role as a powerful fighting force and their exemplary vanguard role into better play in completing the Ninth Five-Year Plan and the long-term target for 2010, and strive to achieve Xinjiang's stability, development, and prosperity.

Comrades, our party has had 75 years of glorious history. In the course of leading revolution, construction, and reform, our party has persisted in strengthening grass-roots party organizations and the ranks of party members, giving full play to the role of party branches as a political core and fighting force and the vanguard and exemplary role of party members. That is why our party has a very powerful centripetal and cohesive force; this is a basic guarantee that our party is capable of leading the people of all nationalities across the country in surmounting difficulties and obstacles and marching from victory to victory.

The next 15 years will be an important juncture for Xinjiang in carrying forward the revolutionary cause pioneered by our predecessors and forging ahead into the future. The new situation and new tasks, that is — the development of a socialist market economy and the achievement of the lofty, transcendent goals — have presented new, higher demands on party organizations at all levels and the vast number of party members across the region. We must devote more attention to and achieve greater successes in strengthening grass-roots party organizations and party ranks; bring into fuller play the role of party branches as a political core and fighting force and the role of party members as a vanguard; constantly enhance the party's centripetal and cohesive force; and unite and lead people of all nationalities across the region in achieving new victories in reform, opening up, and socialist modernization.

1. Firmly Strengthen and Uphold Party Leadership

The CPC's 75-year course shines with great splendor. Over the past 75 years, the CPC has accomplished a lot in leading people of all nationalities for China's social progress and development. All in all, we have accomplished three major things: We have accomplished the new democratic revolution's antifeudal and anti-imperialist goals by putting an end to the history of China as a semicolonial, semifeudal society. Second, we eliminated the system of exploitation and exploiters as a class and established a socialist system. Third, we have ushered in the path of developing socialism with Chinese characteristics and are carrying out step by step socialist modernization. The third task is still ongoing. These three

major events have brought about earth-shaking changes in China: We achieved national independence — a long cherished goal of the Chinese people — and the Chinese nation stood rock-solid among the nations of the world with a fresh outlook; we ended years of civil war, chaos, and disunity in contemporary China and the national unification and the grand unity are developing and growing stronger with each passing day; we have ended the poverty and backwardness of old China, achieved initial success in building China into a prosperous country, and accomplished brilliant successes in socialist modernization that are the focus of global attention. Seventy-five years of history have demonstrated that the CPC is the force at the core leading our cause forward; there would be no New China without the CPC. Only by following the socialist road under CPC leadership will it be possible to make the country strong and the people rich. This is an irrefutable truth.

In the new historical condition of reform, opening up, and modernization construction, we must still resolutely uphold and strengthen party leadership. This is an important political principle concerning the future of the party and the state. Since its birth, the CPC has made the building of a prosperous socialist New China and the realization of communism its sacred mission. Communist Party members must not only lead the people of the whole country in overthrowing imperialism, feudalism, and bureaucrat-capitalism and in establishing a New China practicing people's democratic dictatorship, but must also lead the people of the whole country in building socialism and communism. Today, as we are still in the primary stage of building socialism, we are faced with the arduous tasks of reform, opening up, and stability. On the one hand, the party must lead the people of all nationalities in the country to engage in modernization construction, to thoroughly transform backwardness, to fulfill the grand objective of making the country strong and the people rich, and to build socialism with Chinese characteristics. On the other hand, our reform, opening up, and socialist modernization construction are being undertaken in a complex and ever-changing international environment. In recent years, with the end of the Cold War, the world structure has been developing in the direction of multipolarization and the general international situation is moving toward relaxation, but the world is not tranquil because some big powers in the West have continued to practice hegemonism and power politics, thus increasing the factors of instability in the international situation. Unwilling to see China become unified and strong, international hostile forces have persisted in pursuing a policy of "Westernization" and "disintegration" [fen hua 0433 0553] toward China, using every means to contain us and to obstruct and undermine China's socialist modernization construction.

Faced with such arduous construction tasks and in such a complex and rigorous international struggle; only by pursuing the correct line, principles, and policies under the CPC's leadership; giving play to the role of party organizations as the fighting bastion; giving play to the role of party members as models and vanguards; and uniting and leading the masses of people can we triumph over the enemy, overcome difficulties, and win victory. Without the CPC as the force at the core leading our cause, we will become "divided like a pile of loose sand," just as Comrade Deng Xiaoping said. If this happens, it will bring turmoil to the state and suffering to the people. No force can substitute the CPC's leading position and role in the cause of revolution and construction of the Chinese people. This is the will of the people, the inevitability of historical development, and the heavy responsibility bestowed on party members by the times. At present, a small number of people have wavered in their confidence in the CPC's leading role in building a socialist market economy; some have even weakened and resisted party leadership. This is very wrong. The prerequisite of a socialist market economy is the four cardinal principles. Without the four cardinal principles, we will go against the socialist direction, and this means there will not be a socialist market economy. Of course, the party should make continuous explorations in the course of reform and create new leadership methods and experiences suitable for a socialist market economic system, but this does not mean we can weaken or do away with party leadership. Strengthening and improving party leadership is the fundamental guarantee for the smooth progress and healthy development of reform, opening up, and socialist modernization construction. Party organizations at all levels and party workers must be clear about the direction, strengthen their confidence, conscientiously sum up experiences in strengthening party leadership, constantly try to improve various systems, improve work methods, increase the party's leading ability in the socialist modernization drive, resolutely overcome and rectify the phenomenon of weakening party leadership, and resolutely struggle against words and deeds opposing the party, no matter where such words and deeds come from.

To strengthen and improve party leadership, it is necessary to further bring the role of basic-level party organizations as a powerful fighting force and the exemplary vanguard role of party members into play. In the great cause of building socialism with Chinese characteristics, party organizations at all levels, the vast numbers of party members, and the great majority of party-member cadres have been loyal to the party's cause, actively served the people, and displayed the spirit of doing solid work and their creativity to a great extent. Overall, our party organizations and party-member con-

tingent are full of vigor and combat-worthy. Through the party's training and education and self-tempering in practice, the great majority of party members have relatively good ideological and political quality; are firm in communist ideals and faith; can see to it that personal interests are subordinated to collective interests, immediate interests are subordinated to long-term interests, and partial and local interests are subordinated to general interests; can resist the corrosion of various decadent ideas and styles; can rigorously abide by the party Constitution; can conscientiously implement the party's lines, principles, and policies; can place great stress on maintaining close ties with the masses of the people; and can willingly bring the exemplary vanguard role in promoting socialist modernization, especially at a critical moment and in the face of urgent, difficult, dangerous, and heavy tasks. Thus they have performed lots of moving and heroic deeds with their hard work, and even shed blood. Of the advanced models who have emerged in all trades and professions as well as all fronts in recent years, such as model and advanced workers, the great majority are communists. Communists were, are, and will be the representatives of the advanced elements and form the backbone force for propelling social development and progress. Genuinely unqualified party members represent a tiny minority. Even judging from the practice of the struggle against corruption that the party waged continuously and intensively in the last few years, only a handful of party members have become degenerate and corrupt. The vast numbers of party members have always detested corrupt practices and carried out an unrelenting and firm struggle against them. The facts have proven that the party's mainstream is good and the healthy forces in the party hold a dominant position. History has repeatedly proven that the leading force against corruption is our CPC rather than any so-called clique or organization. It is precisely because the CPC is entirely able to continuously cleanse its own body and always keep its dynamic vigor and health that it can establish itself in an unassailable position. In the new historical period, our party has conditions, determination, and power to overcome corrupt practices; can keep itself clean, upright, and honest; and can withstand the tests of being a ruling party and of carrying out reform and opening up to the outside world. Party organizations at all levels and the vast numbers of party members in Xinjiang should firmly keep in mind the party's historical mission; continue and develop the party's glorious traditions; be bold in making explorations and putting what they have been achieved into practice; bring the role of party organizations at all levels as a powerful fighting force and the exemplary vanguard role of the vast numbers of communists into better play; rally the 16 million people of all nationalities in the region; de-

pend on their will and strength; struggle with one heart and one mind to realize the transcendent magnificent development goal; and build a new flourishing, prosperous, civilized socialist Xinjiang.

2. Take a Clear-Cut Stand To Oppose National Division and Safeguard the Motherland's Reunification

Ensuring Xinjiang's social stability is the premise and foundation for accelerating Xinjiang's socialist modernization. The main danger hindering Xinjiang's stability is national splittist and illegal religious activities. At present, the entire region is conscientiously implementing the guidelines of the central authorities' important instruction and comprehensively strengthening the work of safeguarding Xinjiang's stability. In this work, which has a bearing on the overall situation, party organizations at all levels, the vast numbers of party members, the party's leading cadres in particular, should stand on the forefront, hold high the banner of safeguarding national unity and guarding the sanctity of the law, and have a firm stand on and a clear-cut attitude toward the major principled issues of safeguarding the motherland's reunification and opposing national division. When it comes to stressing politics, this is the greatest politics. Both past and present struggles have shown that our struggle against national splittist and illegal religious activities is irreconcilable [bu ke tiao he de 0008 0668 6148 0735 4104]. This is a serious political and class struggle. The struggle is not only protracted and complicated but also sharp and acute. The numerous terrifying assassinations in the recent past have fully shown that the enemy is savage, cruel, and vicious and that national splittist and illegal religious activities are the main danger hindering Xinjiang's stability. This is a grim actual struggle rather than idle theorizing and random shooting. We should unite the broad masses to the greatest extent, wage a tit-for-tat struggle against the enemy's criminal activities, and strike firm and unequivocal blows at the enemy. This is a major issue that has to do with the motherland's reunification, national unity, and the fundamental interests of the people of all nationalities in Xinjiang.

The foundation of all party work lies with grass-roots party organizations. Implementing the central authorities' important instructions on safeguarding Xinjiang's stability — and translating the guidelines of these instructions into action on the part of the broad masses of the people — requires hard and painstaking work from party organizations at all levels and all party members. The central authorities demand that grass-roots party organizations that are weak and lax in discipline be reorganized and consolidated within two years. While

implementing the central authorities' important instructions on safeguarding Xinjiang's stability, party organizations at all levels must have a high sense of political perception and exercise effective leadership so that people at all levels and in all sectors will work in harmony to implement the important central instructions amid an exuberant political and ideological climate. Proceeding from the overall interests of regional stability and in light of the reality of each locality or department, we must pay close attention to key points and carry them out well one by one. Each and every task in the central instructions is very important; therefore, we must not treat them as business as usual; that is, putting them aside after convening a meeting to relay the principles, issuing a general call, and transmitting the documents to lower levels. Party and government leadership at all levels must make implementation of the central documents a central task for now and for a considerable time to come; they must, on one hand, organize transmission and study of the documents and, on the other hand, conduct research and investigation, formulate specific measures, and do solid work in thoroughly implementing the important central instructions. We must step up supervision and investigation and sum up and popularize, in a timely fashion, local experience in implementing the important central instructions. Localities or departments that are seriously derelict in implementation will be investigated and punished by party discipline inspection authorities for a grave violation of political discipline.

The broad masses of party members, cadres at all levels, and people of all nationalities welcome and support the important instructions on safeguarding Xinjiang's stability. However, not everyone welcomes the important instructions. Separatists and those involved in illegal religious activities will certainly hate and be deadly set against them. The handful of people with a severe political bias will not welcome them either. Therefore, there will certainly be some discord in the course of implementing the important central instructions. We must step up propaganda and education to unify the thinking of cadres at all levels and the broad masses of party members in line with the important central instructions so that they will have a clear understanding and take a firm and clear-cut stand. We should educate and help those confused comrades, fight with firm determination acts that intentionally distort or resist — or even openly challenge or disrupt — the important central instructions, and remove all interference to ensure all-round implementation of the important central instructions.

3. Promote the Spirit of Plain Living, Hard Work, and Selfless Dedication and Strive To Fulfill the Grand, Transcentury Development Goals

The next 15 years to early next century will be a very important juncture for Xinjiang's socialist modernization. We must seize the opportune time to speed up development so that Xinjiang can get on the track of sustained, rapid, and healthy economic growth; gradually narrow its gaps with inland and coastal provinces; try to catch up with them; and join the ranks of advanced provinces and regions.

To accomplish the grand, transcentury development goals, party organizations at all levels and the broad masses of party members have a glorious historical mission on their shoulders. Each and every grassroots party organization must serve as a strong fighting bastion and each and every party member a pacesetter marching ahead of the masses. They must display the spirit of plain living, hard work, and selfless dedication and exert themselves in the struggle for the interests of people of all nationalities in Xinjiang and for building a prosperous and civilized Xinjiang.

We must always uphold the correct political orientation. If our political orientation is blurred or not clear and if our political stand is unstable, we cannot play the role as a fighting bastion and as vanguards and models. The political orientation question is, first of all, a question of political ideals and faith. Comrade Deng Xiaoping has said: "When we, the Marxists, made revolution in the past, we were fighting for the noble ideals of socialism and communism. Now, we are engaged in economic reform. We should still uphold the socialist road and the lofty ideals of communism." In upholding the ideals and faith of communists and upholding the correct political orientation under the historical conditions of today, the most fundamental thing we should do is to firmly uphold the party's basic theory, basic line, and basic principles; and what we should embody in a most concentrated way is to persist in taking the road of building socialism with Chinese characteristics and persist in the direction of striving for the final realization of communism. Party organizations at all levels and party members must remain firm on matters related to political orientation, the overall interest, and fundamental principles. Under any circumstance, they must maintain unanimity ideologically and politically with the party Central Committee with Comrade Jiang Zemin as the core, resolutely safeguard the authority of the central authorities, and ensure that the decrees of the central authorities are obeyed; they must have a correct and clear understanding of complex and complicated social phenomena and various ideological and theoretical viewpoints, especially the Western hostile forces' polit-

ical schemes of "Westernization" and "disintegration"; they must struggle, in a clear-cut manner, against national separatists and illegal religious activities.

Bearing in mind the overall interest and their functions, party organizations at all levels and party members should contribute more to reform and construction. The role of party organizations as the fighting bastion and the role of party members as vanguards and models are not empty roles. These roles must be organically integrated with the desire to do various tasks well and must be carried out in reform and economic construction. Our central task in the next five years of this century is to unite the masses and lead them to work vigorously to fulfill various tasks, to free themselves from poverty, and to achieve a fairly comfortable standard of living. Every party member must practice what they preach, work hard, be practical, industriously do their jobs well, build a party serving the interests of the people, bring benefit to the people, be concerned with the well-being of the people, and do good things for the people.

We should persist in continually transforming our world outlook and become a faithful servant of the people. Serving the people wholeheartedly and working for the benefit of the people constitutes the world outlook of party members and their outlook on life. Every party member and leading cadre at all levels must bear in mind the party's purpose and persist in the principles of administering the state for the people, exercising power for the people, and serving as servants of the people; they must give first place to the cause of the party and the interests of the people, be fair and honest, not seek fame and wealth, serve the public wholeheartedly, make selfless sacrifices, be clean and honest officials, and be open and above-board; they must set an example for others, carry out to the letter the provisions of the Central Committee and the autonomous regional party committee on building a clean government, observe strict discipline, persist in taking the lead in setting an example in all they do, resist being corroded by decadent things, and be an example in serving the public honestly and impartially; they must temper themselves in party spirit, pay attention to enhancing their understanding of party spirit, consciously resist the corrosion of decadent ideology and culture and lifestyles, adopt a correct attitude toward power, money, honor or disgrace, hardship or pleasure, be able to pass tough tests, and be useful to the people.

It is necessary to vigorously publicize advanced examples and models to promote the practice of respecting advanced people in society. Advanced collectives and models are the banners that can influence, absorb, and inspire people. We should intensify propaganda work and make publicizing and learning from advanced mod-

els and collectives an important part of our propaganda and ideological work, our efforts to build a spiritual civilization, and our propaganda and educational tasks. We should arm people with scientific theories, guide people with correct public opinion, mold people with noble spirit, and inspire people with outstanding works. Various units should pay special attention to discovering, training, supporting, and cherishing advanced people and models and resolutely handle acts of openly slandering or making things difficult for and attacking advanced examples and models, so as to promote a healthy atmosphere. Through various forms and channels, we should vigorously publicize and learn from the advanced deeds, outstanding qualities, pioneering spirit, and the cherishing of their jobs of advanced people and models and strive to create strong public opinion and an atmosphere of respecting and publicizing the experiences, advanced examples, and qualities of models in society so as to form an environment for learning from the advanced, trying to catch up with the advanced, and striving to become advanced people.

Once a political line is laid, cadres will play a decisive role. It is all the more urgent that we build a contingent of high quality cadres if we are to accomplish the grand, transcentury development goals. We must conscientiously study General Secretary Jiang Zemin's speech made at a forum commemorating the 75th founding anniversary of the CPC; vigorously strengthen the ranks of cadres; and improve the quality of the broad ranks of cadres, leading cadres in particular. We must pay special attention to improving the political and professional quality of leading cadres at all levels in accordance with the five-point requirements set by General Secretary Jiang Zemin. To educate and improve cadres, it is essential to first unfold in-depth, sustained study among cadres, particularly leading cadres at various levels, with the most basic studies being Marxism-Leninism-Mao Zedong Thought, particularly Comrade Deng Xiaoping's theory on building socialism with Chinese characteristics. Through study, they must solidify the Marxist and socialist political orientation and position; firmly establish the correct world outlook, outlook on life, and values; master the scientific method in observing things; enhance capabilities in differentiating theoretical and political right and wrong; and improve the level of solving practical problems with the party's basic theory and line so as to guarantee a healthy development of China's reform, opening up, and modernization. We must persist in cultivating cadres through practice. We should make the practice of building socialism with Chinese characteristics, which we are currently carrying out, a big school for cultivating and improving cadre quality. As General Secretary Jiang Zemin demands, the vast number of cadres in Xinjiang should

clearly recognize their historical responsibility by actively plunging into practice; going among the masses; and going down to the frontline of reform and construction, to the grassroots, and to places with the most hardships and difficulties and places where they are needed the most by the party and masses. We must uphold the principle of making the cadre contingent "more revolutionary, younger, better educated, and more professionally competent," and the principle of having both ability and integrity in building leading bodies at all levels into vigorous collectives excellent in overall quality whose members supplement each other's strong points and will firmly implement the party's basic theory and line. As General Secretary Jiang Zemin ardently expects of them, the vast number of young comrades in the region must closely link their fate with that of the motherland and the people and conscientiously work hard for the great cause of building socialism with Chinese characteristics. They should study hard, work hard, dare to create, and consciously make contributions. Young cadres should follow the example of advanced models in epitomizing the party's fine tradition and the spirit of the times, treating the people and their work with great enthusiasm and a profound sense of responsibility, immersing themselves in hard work, energetically seeking progress, taking a practical and creative approach to their work, and striving to make outstanding contributions at their respective posts.

Comrades, achieving long-term stability and prosperity in Xinjiang is a great historical responsibility on the shoulders of party organizations at all levels and the broad masses of party members. Under the leadership of the CPC Central Committee with Comrade Jiang Zemin as the core, let us take on as our mission Xinjiang's rejuvenation, do hard work, unite and lead the people of all nationalities in forging ahead courageously through brambles and thorns, and usher into the 21st century a stable and dynamic Xinjiang with bright prospects.

PRC: Commentary on Anti-Splittism Work in Xinjiang

OW0107134796 Urumqi XINJIANG RIBAO
in Chinese 12 Jun 96 p 1

[By Staff Commentator: "Strengthen the Conviction that Anti-Splittist Struggle Will Surely Prevail — the Eighth of the 'Enhancing National Unity and Safeguarding Stability in Xinjiang' Serial Commentary"]

[FBIS Translated Text] Facing the rampant activities of national splittists inside and outside Xinjiang, some people are puzzled by the enemy's transient arrogance and wonder whether we will win the anti-splittist struggle. We maintain that this is an undesirable attitude — undesirable because people with this attitude have not

comprehensively observed and analyzed this problem. Their "view on an important thing were overshadowed by the trivial." They took a one-sided approach to this problem and unconsciously fell into the enemy's evil trap of "upsetting our plan."

We firmly believe the anti-splittist struggle will prevail, because the truth is on our side and our acts are open, aboveboard, bold, and assured. Since the founding of the PRC, particularly since reform and opening up, Xinjiang has undergone an earth-shaking change and has unprecedentedly improved its level of social productive forces as well as social civilization. This is universally acknowledged and perfectly obvious to the world. Facts have proved that the CPC is worthy of its name to the history, the times, and people of various nationalities in Xinjiang. People of various nationalities in Xinjiang will have a bright future only by taking the road of socialism under the CPC leadership. National splittists are shameless persons who do not feel they are on solid ground. All they can do is hiding in a dark corner and attacking the CPC's leadership and the system of socialism as well as whipping up the anti-Han Chinese sentiment with their lies. But how can their lies change the hard historical facts!

We firmly believe the anti-splittist struggle will prevail, because the people have been on our side all along. The fundamental interests of people of various nationalities in Xinjiang lie in stability. Only unity can bring about prosperity and progress; splittism will certainly lead to decline and retrogression. Longing for stability, seeking for unity, and hoping for development accord with the feelings of the people and the general trend of events in the society today. Persons engaging in splittism, calling for independence, and creating turmoils are always a tiny minority. They are unpopular and will certainly be cast aside by the people for going against the trend of history and harming the fundamental interests of people of various nationalities.

We firmly believe the anti-splittist struggle will prevail, because we have the strong leadership of the autonomous regional party committee, which is capable of coping with the situation in Xinjiang. Under the leadership of the autonomous regional party committee, party organizations at various levels have fully played the role of fighting bastions and CPC members of various nationalities, the role of exemplary vanguards. Cadres and people of various nationalities will unite closely around the party and government and make concerted efforts to safeguard stability. People engaged in splittism will surely become a target of public censure.

We firmly believe the anti-splittist struggle will prevail, because the international situation and the surrounding

environment are favorable to us. Particularly not long ago, President Jiang

Zemin and presidents of Russia, Kazakhstan, Tajikistan, and Kyrgyzstan have signed in Shanghai a treaty on enhancing trust in the military field along the border areas of the five countries; this has further created a peaceful and friendly peripheral environment for the stability and development in Xinjiang.

We firmly believe the anti-splittist struggle will prevail, because we have a great motherland and army. The state and army will never permit any international reactionary forces' splittist and subversive activities against our country. The small number of national splittists have miscalculated by relying on international reactionary forces. Even in semi-feudal and semi-colonial old China, Xinjiang has not been split off from the arms of the motherland. Now that China is growing stronger day after day and has become an importance power in safeguarding world peace, any attempt to disrupt the unification of the motherland will be a daydream and wishful thinking.

The central authorities' important directions on safeguarding the stability in Xinjiang have pointed out a clear way to ensure long-term stability in Xinjiang and have enhanced our confidence in winning the anti-splittist struggle. The work conference of the autonomous regional party committee held in early May has made an arrangement for implementing the central authorities' directions and guidelines. We should study them conscientiously and extensively publicize them through various forms with a view to making these directions and guidelines strike root in the hearts of the people and making them known to every household as soon as possible. All localities should work out feasible work programs, according to the arrangement of the autonomous region and in line with their local realities, in organizational construction, religious management, propaganda, education, rectification of schools, building of legal forces, and other fields.

The national splittists, as well as people with serious prejudice, will never be pleased with the central authorities' directions; we are bound to meet with struggle in implementing the central authorities' directions. We should be mentally prepared, observe every symptom of a trend and sign in a timely manner, and firmly remove all obstructions.

Let us unite firmly around the party Central Committee with Comrade Jiang Zemin as the core, hold high the banner of grand unity among all nationalities, hold together the will and strength of 16 million cadres and people of various nationalities in the region,

and unswervingly strive for bringing about long-term stability and development to Xinjiang!

PRC: Localities in Xinjiang Continue Strike-Hard Struggle

OW0907130696 Urumqi Xinjiang Television Network in Mandarin 1330 GMT 7 Jul 96

[From the "Xinjiang News" program]

[FBIS Translated Text] Various localities in Xinjiang have continued to carry out the strike-hard struggle in depth:

The riot squad of the public security bureau in Bayingolin Mongol Autonomous Prefecture has effectively checked the arrogance of criminals by laying equal stress on striking crime hard and on taking precautions. During this strike-hard struggle, they have not only strengthened the security guarantee for key departments, but also have set up checkpoints at the key sections on State Route No. 314 to intercept criminals. Since the launch of the strike-hard struggle, they have seized several firearms of various kinds; numerous sets of ammunition; a batch of detonators, explosives, and cutting tools under supervision, as well as captured many criminals involved in the cases. This has greatly shocked criminals. [Video shows police patrolling the road and checking a bus, as well as weapons and ammunition seized]

The public security department of the Urumqi Railway Bureau recently took an encircling and suppressing action in area around the South Station of the Urumqi Train Station with remarkable results. Five hours of waiting in the area encircled by (Tieji) Village, (Tiedong) Village, and (Yamalihe), police officers participating in the action captured dozens or so of criminals who had been on the run for some time; taking and trafficking on drugs; and engaged in theft, gambling, and prostitution. They also seized 124 grams of heroin, a batch of cutting tools under supervision and stolen money and goods. [Video shows a group of arrested criminals being sent to a bus]

To intensify the propaganda for strike-hard struggle, the courts of Changji Hui Autonomous Prefecture and Hutubi County recently held a public trial in Hutubi County, openly hearing six criminal cases of significant influence on society and handing down sentences to nine criminals. [Video shows criminals walking into a courtroom under the escort of police]

The public security bureau in Artux City recently openly returned stolen goods, including motorcycles, bicycles, and television sets, which have been seized since the launch of the strike-hard struggle and worth over 30,000

yuan, to their original owners. [Video shows a number of people taking back their belongings from police]

PRC: Xinjiang Holds Meeting on Social Order

OW2106042696 Urumqi XINJIANG RIBAO in Chinese 31 May 96 p 1

[By reporter Shi Hong (0013 4767) from Urumqi: "Plenary Meeting of the Autonomous Regional Committee for the Comprehensive Management of Public Security Stresses the Need To Concentrate on Improving Public Order and Consolidate Achievements in the 'Severe Crackdown'"]

[FBIS Translated Text] The Xinjiang Regional Committee for the Comprehensive Management of Social Security held its first plenary meeting this year on 30 May. The meeting stressed carrying out improvement of social security in a concentrated manner and consolidating the achievements in the campaign to severely crack down on crimes.

Zhang Yunchuan, member of the Xinjiang Regional CPC Committee Standing Committee and regional vice chairman, presided over the meeting. Members of the Xinjiang Regional Committee for the Comprehensive Management of Social Security from 48 departments and bureaus attended the meeting.

Comrades in charge of the Office of the Xinjiang Regional Committee for the Comprehensive Management of Social Security and the Xinjiang Regional Public Security Department separately made reports on the situation of the comprehensive management of social security and the on-going campaign to crack severely down on crimes in our region. Persons in charge of the Xinjiang Regional Radio and Television Department and the Xinjiang Regional Administration for Industry and Commerce also made reports on their work in the comprehensive management of social security.

Li Fengzi, member of the Xinjiang Regional CPC Committee Standing Committee and chairman of the Xinjiang Regional Committee for the Comprehensive Management of Social Security, spoke at the meeting. He said that on the whole, the situation of the social security in our region is stable and good. However, we must also soberly see that existing instability factors are many and the existing problems in some localities are quite serious. The task of safeguarding the stability of our region is still very arduous and we need to redouble our efforts.

Li Fengzi pointed out that various localities and departments must regard the campaign to severely crack down on crimes as an opportunity for comprehensively implementing various measures for the comprehensive

management of social security. Leading cadres at all levels must strengthen leadership; hold high the banner of nationality solidarity; safeguard the sanctity of laws; and carry out publicity, education, and mobilization so that the masses of people will join the campaign to severely crack down on crimes. At the same time, various localities must also seriously implement the leadership responsibility for the comprehensive management of social security, strengthen safety and precautionary measures in key target areas and sectors, properly handle contradictions among the people, strengthen the building of the grass-roots organizations, carry out the improvement of social security in a concentrated manner, and consolidate the achievements made in the campaign to severely crack down on crimes.

Li Fengzi demanded that party and government cadres at all levels seriously implement various measures for comprehensively improving social security with an attitude of being highly responsible to the party and the people of all nationalities to ensure the political and social security of the region and to promote the healthy development of the economy, culture, and other undertakings of the region.

***PRC: XINJIANG RIBAO Explores Nationality Issues**

96CM0404A Urumqi XINJIANG RIBAO in Chinese 7 May 96 p 8

[Article by Qi Wenli (7871 2429 4409): "Some Opinions on Guiding Nationality Consciousness"]

[FBIS Translated Text] Nationality consciousness is an individual's self-consciousness in identifying him or herself with the nationality of which he or she is a member. It is an ideological phenomenon. In our country, which is united but consists of multiple nationalities, it is imperative to fully understand the social characteristics of nationality consciousness and take effective measures to guide it onto the right track. This is of vital and far-reaching importance to the solidarity of the nationalities and the unification of the country. It is also of utmost and profound significance to our economic development, the progress of all nationalities in our country, and the stability of our society.

I. We should have a full knowledge of the social characteristics of nationality consciousness and enhance our understanding of the protected nature of the nationality issue. Judging from our social practice, nationality consciousness in our country has the following main characteristics at the current stage:

Longstanding. Where there is a nationality, there is nationality consciousness. According to Marxism, the

nationality will disappear only after the extinction of the class and state, which will take a long time in history. As such, nationality consciousness, which is an objective reflection of the existence of the nationality, will exist for a long time.

Complexity. Nationality consciousness is an ideological state, which finds expression in politics, culture, religion, and relations between different nationalities. The expression varies in different times and under different conditions. So it is a complex social phenomenon.

Stability. Over the past thousands of years, the form of human society has undergone a lot of transformations, resulting in a radical change in the socioeconomic aspect. However, there has been little change in the quintessence of nationality consciousness. It is relatively stable.

Dualism. The dualism of nationality consciousness manifests itself in two principal aspects: First, nationality consciousness is characterized by both individuality and generality. Our country has 56 different nationalities, and each has its unique needs and interests. This constitutes the individuality of nationality consciousness. In the long historical development, however, the various nationalities have formed common ideals and objectives as a result of exchanges among themselves and due to the influence of ideological and moral codes as well as legal provisions. This is the generality of nationality consciousness. Second, nationality consciousness has both positive and negative sides. The positive role that nationality consciousness plays in our society can be seen mainly from the following: Nationality consciousness helps a nationality to win and safeguard its legitimate power, promote its development and progress, and inherit and carry forward its fine cultural traditions. It is also conducive to developing the patriotic spirit of the people of all nationalities in our country. On the negative side, the selfishness, conservatism, and exclusionism exhibited by nationality consciousness do have an adverse effect on the promotion of the socialist relations among various nationalities and even on the development and progress of the nationality concerned.

Plasticity. With the economic development of society, increasing exchanges between different nationalities, and improvement of people's material and cultural lives, the generality and positive side of nationality consciousness will become more prominent and further developed. Now that the macro environment is changing at home and abroad, nationality consciousness will also change with the development of the objective environment. In other words, it shows a high degree of plasticity.

From the above social characteristics of nationality consciousness, we can see that the nationality issue will remain for a long time during the socialist period, and it will show a tendency to change constantly.

II. We should correctly assess the current development of nationality consciousness and enhance our understanding of the complexity of the nationality issue. At the present stage, the general trend is that nationality consciousness is gradually intensifying and continuously developing. This trend finds expression in people's growing concern about the economic and cultural development of their respective nationalities and ethnic regions, plus an increasing sensitivity to issues concerning the balance of interests between their own and other nationalities. The enhancement of nationality consciousness is a psychological reflection of a nationality's self-esteem, confidence, and improvement and, therefore, plays a positive role.

Nonetheless, if we do not properly guide the trend of enhancement of nationality consciousness, its negative effects will become more prominent and may even add to ethnic estrangement and make the nationality question more sensitive and complicated. As far as our practical situation is concerned, several questions deserve attention: One is the thinking of equal distribution of wealth. According to this thinking, the gap between different ethnic groups with respect to economic and cultural development is a kind of "inequality between nationalities." True, the ultimate goal of socialism is common prosperity, but common prosperity does not mean synchronous prosperity. The gap between China's nationalities with respect to economic and cultural development is due to a combination of historical, natural, and other reasons. This is a question that our party and state have always paid attention to and have taken various effective measures to resolve in an effort to achieve the common prosperity of all nationalities. In China, most minority people live in the western part of the country. The "Proposal" adopted at the Fifth Plenary Session of the 14th CPC Central Committee pointed out the need to gradually narrow the east-west gap as a major long-term principle to keep to and, accordingly, set forth a series of measures to give priority to developing the west. Such principle and measures are bound to produce a significant and far-reaching effect on gradually narrowing the east-west gap and promoting the common prosperity of all nationalities. However, we should note that the uneven development of various regions and the gap between nationalities are historical phenomena that have existed for a long time, and time is required to solve this problem. From this viewpoint, we must have a correct understanding about the gap of development between nationalities. The second question is the exclu-

sionist thinking. In exchanges between different nationalities, it is correct to expel the unhealthy ideas and acts of a few people, hampering the development of other nationalities. Unfortunately, some people expel everything from other nationalities, including many valuable cultural achievements of which they could make use. This is obviously wrong and harmful to the development and progress of one's own nationality. The third question is acting on sentiment instead of principle. A few people refuse to expose or report but shield or abet the erroneous words and deeds and even the criminal acts of members of their own nationality. This aggravates to some extent the estrangement between different nationalities and adversely affects their common progress. The above questions indicate that during the new socialist period in no way should we overlook the negative effects due to the enhancement of nationality consciousness. What we should do is fully understand the complexity of the nationality issue during the new period, pay close attention to learning the new phenomena and questions arising in inter-nationality relations, encourage and develop the positive effects of the enhancement of nationality consciousness, and curtail its negative effects by means of proper guidance. This is especially important to the consolidation and development of new socialist relations among nationalities and to the maintenance of national unity and social stability.

III. With regard to the enhancement of nationality consciousness, we should have a good grasp of its main aspects and make positive efforts to guide their development in the correct direction. Our country is now in an important period of historical development. As our country is a multinationality country, how to take a good grip on the aspects of the enhancement of nationality consciousness and make positive efforts to guide the development in the correct direction is a major practical as well as theoretical question that we should study in depth.

It should be fully understood that, under the leadership of the Chinese Communist Party and the guidance of Comrade Deng Xiaoping's theory of building socialism with Chinese characteristics as well as the basic line of the party, we should safeguard the unity and promote the progress of all nationalities in our country. We should see to it that people of different nationalities are learning from and assimilating each other's experience to raise their self-improving ability, competing with each other on an equal footing, displaying their strengths, advancing hand in hand, helping and supporting each other, making joint efforts to become comparatively well off, striving for stability, development, and self-improvement, respecting each other, and working in concert toward the same goal. This should be the

essential direction at present for developing nationality consciousness in our country.

However, we should by no means underrate the negative, harmful effects that come with enhanced nationality consciousness. Preventing and eliminating such effects is a major aspect of our work in the field of nationality affairs as well as an important task on the propaganda and ideological front.

In the first place, we should have a firm grip on our party's basic stand on the nationality issue and adhere to the fundamental principle and policy of equality, unity, and common prosperity of all nationalities. It should be unequivocally understood that the negative effects of enhanced nationality consciousness are basically problems of cognition. To solve these problems, we must use the methods of persuasion, education, and guidance by public opinion. We must persist in using positive guidance as the primary measure, seek truth from facts, and convince people by reasoning. In no way should we indiscriminately criticize the negative effects of enhanced nationality consciousness, still less exaggerate these effects and aggravate contradictions, leading to confrontation in thinking. Instead, we should proceed from the desire for unity, make criticism and self-criticism, and finally achieve the goal of unity. With regard to incorrect or relatively incorrect tendencies, it is especially necessary to do patient and meticulous work to correct them. We should use books, periodicals, movies, television, and other mass media to gradually guide the public's understanding and lead the attention and creativity of the people of all nationalities to the cardinal objectives of reform, opening up, and socialist modernization with a view toward promoting their common prosperity and development.

Second, we must make a strict distinction between the two different types of contradictions and use the lofty spirit to remold people. During the new socialist period, class struggle is no longer a main contradiction in our society, but due to domestic and international reasons, it will still exist for a long time within a certain sphere. The reality has shown that international hostile forces are using the nationality issue to conduct infiltration, undermining, and subversive activities against our country as a primary strategy to "divide" and "westernize" us. Meanwhile, a few splittists at home and living in exile abroad are bent on sowing dissension between different nationalities in a bid to carry out their criminal activities of opposing the party and government, undermining social stability, and splitting the motherland. They have concocted a lot of lies and spread all kinds of fallacies. Such splittist acts have nothing to do with nationality consciousness. We must resolutely expose these acts and strike them hard and must not be soft in doing

so. As for those who have, under the negative effects of enhanced nationality consciousness, said something harmful to our national unity, we should strictly distinguish their words from the hostile elements' reactionary fallacies so as to avoid hurting good people.

Third, we must carry forward the patriotic spirit and go all out to give wide publicity to model units and individuals that have made significant contributions to promoting the cause of national unity and progress. Conscientiously digging out the model deeds of these individuals and writing biographies for them will be of exceptional significance to inspiring the patriotism and hard-working spirit of the people of all nationalities throughout the country. We must strengthen the work in this field.

Fourth, we must beef up the study and propaganda of the Marxist theory on nationalities. Under the new circumstances, while adhering to the basic view and stand of the Marxist nationality theory, we must seriously study the new questions arising in inter-nationality relations. And we must devote major efforts to publicizing the Marxist theory and the party policy with respect to nationalities.

PRC: Xinjiang Chairman Calls For Streamlining Administration

OW2006092096 Urumqi XINJIANG RIBAO
in Chinese 30 May 96 p 1

[Report by reporter Zhang Yu (1728 6735): "At Regional Work Conference on Institutional Reform, Abdulahat Abdurixit Calls for Streamlining Administration and Changing Functions"]

[FBIS Translated Text] "In reforming institutions, we should pay close attention to changing government functions, streamlining administration, and establishing a compact and highly efficient administrative system," said regional Chairman Abdulahat Abdurixit at a regional work conference on institutional reform on 29 May.

In his report, Abdulahat Abdurixit said: Institutional reform of party and government organizations at the regional level is in full swing, and the plan on the "three fixed quotas" for all departments will be approved before the end of this month. In line with the arrangements mapped out by the regional party committee and government, institutional reform of party and government organizations at and below the prefectural level will be carried out in an all-round way in the next half of this year.

He emphasized: The current institutional reform is primarily different from the previous ones in that the cur-

rent reform is aimed at facilitating two fundamental changes: at effectively changing the functions of governments at all levels in accordance with the principle of separating government administration from enterprise management; and at solving problems related to the failure to separate the functions of the government from those of enterprises, overstaffing, over-concentration of powers, and excessive microeconomic interferences, all of which impede the change of the operating mechanisms of enterprises and cultivation of the market.

He continued: Institutional reform at the autonomous prefectural level should embody the features of regional autonomy of minority nationalities; and the focuses of autonomous prefectures' work should be gradually shifted to planning, coordination, supervision, and service. Institutional reform at the prefectural level should proceed from Xinjiang's realities and be aimed at building up administrative functions and organizations on nationalities and religious affairs, public security, and improved quality of cadres; meanwhile, prefectural party committees and administrative offices should be given more responsibilities in planning and guiding counties (cities) in economic development. Institutional reform at the city level should be carried out in light of the functions of cities, bringing into full play the key role of cities in economic and social development. Institutional reform at the county level should put particular emphasis on strengthening the party's leadership, on invigorating the county economy, and on promoting agriculture and rural work to facilitate all-round economic and social development. In close conjunction with the central task of developing the rural economy, reform at the township level should underscore the needs to reinforce grass-roots party and power organizations, to enhance the unity of nationalities, and to ensure social stability.

Zhou Shengtao, deputy secretary of the regional party committee, chaired the conference; and Chen Demin, Standing Committee member and Organization Department director of the regional party committee, attended the conference. Wang Yousan, vice chairman of the Chinese People's Political Consultative Conference regional committee and deputy head of the regional leading group on institutional reform, explained a "tentative proposal for institutional reform of party and government organizations at the prefectural, county, and township levels."

***PRC: Proposals To Prevent Loss of State Assets**
 96CM0299A Urumqi XINJIANG RIBAO in Chinese
 25 Mar 96 p 2

[Article by Minjin Xinjiang Autonomous Regional Committee: "Loss of State Assets Must Be Checked"]

[FBIS Translated Text] The loss of state assets and loss of land taxes are serious problems in the autonomous region. Of the many types of state assets being lost, none has more dire consequences than the leasing of fixed assets, especially real estate, as it drives up inflation objectively, thus placing an additional burden on the people. According to rough calculations, the actual leasing rate among state assets—buildings, houses, plants—in the Urumqi area is 100 percent. Enterprises, organizations, schools, and stores have rented out virtually all offices, plants, classrooms, and stores that can be put to use. By renting out real estate alone, organizations at all levels in the city collect no less than 100 million yuan in rents, 90 percent of which are pocketed by collectives and individuals as real income. On a per capita basis, this sum amounts to just 5 percent. Yet it accounts for more than 40 percent of the increase in prices. The reason is that all of it goes into the cost factor, that is, wage cost.

The following measures may be taken to stem the loss of state assets: 1) adjust the amount of taxes payable on rents and the amount of business tax; 2) impose double taxation on fixed assets, requiring both the lessor and lessee to pay taxes; 3) tighten fixed assets management and introduce a leasing permit system; 4) impose heavy fines on those found guilty of tax evasion involving state fixed assets and confiscate their assets; 5) allow a reasonable amount of profit retention. Income derived therefrom may then be redistributed fairly and put to profitable uses.

PRC: Xinjiang To Launch Infrastructure, Construction Projects

OW0107160896 Beijing ZHONGGUO XINWEN SHE
 in English 1414 GMT 1 Jul 96

[FBIS Transcribed Text] Urumqi, July 1 (CNS) — Han Xueqi, Director of the Planning Commission in Xinjiang Uygur Autonomous Region, said that during the ninth Five-Year Plan, Xinjiang would launch a number of large-scale infrastructure and construction projects, including ten large backbone projects with a total investment of ten or more billion yuan.

Mr. Han said that at the beginning of the Ninth Five-Year Plan, Xinjiang had had a good start in many construction projects. Large extended construction

projects were going on smoothly. The projects to be completed this year were as follows:

The chemical fertilizer project of Urumqi Petrochemical Plant would be completed by the end of August, when it will be the second largest chemical fertilizer plant in China; the fibre-optic telecommunications installation in southern and northern Xinjiang which will, on completion, result in unimpeded telephone communications in the south and north of Xinjiang; the fourth stage of extended construction of Hongyanchi Power Plant; the second stage of extended construction in Hami No.2 Power Plant; the open-pit mine of Urumqi Iron Plant; the No.218 Road from Qingshui River to Yining; the first stage of agricultural and environmental protection project in Tarim; the fourth stage extension of a Hotan Power Plant; Altay Hydropower Station and the second stage of extended construction of Baicheng Power Plant and the extension of Urumqi Airport.

The projects under construction included Turpan-Urumqi- Dahuangshan high-class highway with an investment of RMB [renminbi] 2.2 billion, the irrigation project in Hotan and Tekes of Ili, the natural gas piping project in Urumqi and the flood land highway project in Urumqi.

When talking about the large projects to be started both this year in the next few years, Mr. Han said that the railway extension project from Kuqa to Kashi, which was important to economic development in the southern part of Xinjiang, would be started by the end of July. The total investment will be RMB 6 billion and the project would be completed within three years. The construction of facilities for an annual propane asphalt output of 400,000 tonnes at the Dushanzi Petrochemical Plant, with an investment of RMB 140 million, will be commenced soon.

Mr. Han also mentioned that a new RMB 1.8 billion alkylbenzene production plant, with an annual output of 72,000 tonnes, would be started soon and that the construction of a chemical fertilizer plant in Kuqa, with an investment of RMB 7 billion and an annual fertilizer output of 300,000 tonnes, had been commenced. The expansion of Tarim Petrochemical Plant, which processes 2.5 million tonnes of crude oil, has begun, and the construction of No.2 Hongyanchi Power Plant, which is hoped to generate 1.2 million kilowatts per year, would also be started soon.

At the same time, the preparation for other projects is going on smoothly. These include a RMB 5 billion acrylic fibre project at the Urumqi Petrochemical Plant; A RMB 4 billion Urumqi-Kuytun expressway; the extended construction of Dushanzi Petrochemical Plant, increasing the annual ethylene output from 140,000

tonnes to 220,000 tonnes and a new project in Kuche with an annual output of 300,000 tonnes of chemical fertilizers.

In order to speed up the construction of grain, cotton and sugar agricultural production bases at state level, besides the water saving projects in southern part of Xinjiang, many major projects are under preparation. The preparation for a large diversion works in north Xinjiang has been completed. The first stage construction of the diversion works, representing an investment of RMB 2 billion, will be completed in the ninth Five-Year Plan. RMB 9.4 billion will be injected into cotton planting bases to reclaim 7 million mu (466,667 hectares) and improve 10 million (666,667 hectares) medium and low-yield farmland.

***PRC: On Need To Develop Nonstate Sector Economy**

96CM0300A Urumqi XINJIANG RIBAO in Chinese
24 Mar 96 p2

[Article by Wang Lizhong (3769 4539 0022): "On Need to Develop Nonstate Sector Economy"]

[FBIS Translated Text] As the autonomous region's CPC committee and the people's government are emphasizing development of a nonstate sector economy, they are also issuing related regulations and policies favorable to such development. Even though this economic sector has shown rather fast and great development, it is still small when compared with that elsewhere in the nation. The potential for further development is great.

Creating an environment favorable to healthy development of the nonstate sector economy should proceed in four areas. First is further ideological liberation to clear up muddled thinking, with particular emphasis on clarifying the limits of privatization and development of a nonstate sector economy. Second is creating a good environment to provide equal access for economies of various ownership systems to participate in market competition. Third is strengthening propaganda to create a fair public opinion environment. Fourth is establishing a management environment favorable to rapid development of the nonstate sector economy. That is, based on actual conditions, the CPC committees and government at all levels must establish a working committee that provides leadership and coordination to really resolve multifaceted management problems.

We hope CPC committees and governments on all levels will reinforce proper leadership of a nonstate sector economy in three links. The first calls for grasping the political orientation firmly and dealing properly with the "three" relationships which are that between the "sub-

ject" and "complement"; that between development of a modern enterprise system serving the state ownership economy and large-scale agricultural development, and healthy development of a nonstate sector economy; and that between protecting the state's overall interests and protecting the legal rights of the nonstate sector economy. The second link calls for a thorough survey study that will provide timely understanding of development progress to resolve general policy problems. The emphasis will be on bringing into play the "bridge" and "assistant" roles between associate members of industry and commerce at various levels. The third link calls for strengthening education and guidance. It is important to effectively understand and grasp the ideology and politics of people working in the nonstate sector economy, and to be concerned about their political, economic, and daily living problems.

***PRC: Herdsmen's Low Income seen as Serious Social Problem**

96CM0297A Urumqi XINJIANG RIBAO in Chinese
29 Mar 96 p 2

[Article by Se Er Ha Zi (5331 1422 0761 1320), Deputy Secretary General of the Xinjiang Autonomous Regional CPPCC (Chinese People's Political Consultative Conference) Committee: "Several Suggestions on Raising Herdsmen's Income"]

[FBIS Translated Text] The Ninth Five-Year Plan of the Xinjiang Autonomous Region and the (draft) outline of the long-term goal for the year 2010 propose that by the year 2000, the per-capita income of peasants and herdsmen reach 2314 yuan and that the herdsmen basically settle down. This is consistent with the national goal that all families become comparatively well-off by the end of this century. This is an inspiring goal which can be achieved with hard work. I am all for it.

Surveys show that in order for the per-capita net income of herdsmen in Xinjiang Region to achieve the set goal, it must increase on the average of about 280 yuan every year. Judged by the existing production conditions of the pastoral area, I think this is totally impossible if major policies and measures are not adopted and the intensity of investment in the development of the pastoral area is not substantially increased.

The statistics of the Bureau of Animal Husbandry show that 60 percent of herdsmen in the region are impoverished, the task of supporting the poor in the pastoral area is very arduous, and it is very difficult for the pastoral area to keep up with the rest of the region in becoming comparatively better off.

Because of this, accelerating the development of animal husbandry and increasing the income of herdsmen has

become a critical issue that determines whether or not herdsmen in the region can reach the standard of being comparatively well-off.

I suggest:

1. Hold a regional pastoral work conference as soon as possible to adopt a complete set of policies to speed up the growth of animal husbandry. It has been 10 years since the last regional pastoral work conference in 1986. Major changes have occurred in the political and economic arenas, and many new conflicts and problems, which have arisen in animal husbandry in the process of transition from a natural economy to a socialist market economy, need serious study and solutions. Because of this, it is imperative to hold a work conference concerning the pastoral area or animal husbandry to adopt relevant policies of animal husbandry in line with the market economy. It is a task which brooks no delay.

2. Include the "1515 Project" into the Ninth Five-Year Plan of the region and the (draft) outline of long-term goals for the year of 2010. I hope that the project is carried out with unified planning, that full consideration is given to the development of animal husbandry, that the development of water and soil resources is combined with the settlement of herdsmen, and that the building of a commodity grain basis is combined with that of a forage and feed basis. This is to ensure that herdsmen's interests are protected and that herdsmen escape poverty and become better off soon.

3. In view of the reality that 60 percent of herdsmen in the pastoral area are impoverished and that 46 percent of herdsmen are still nomadic, I suggest that we increase support for the poor in the pastoral area, especially increase investment in water conservancy and grassland construction in the pastoral area, improve basic production and living conditions for herdsmen, and speed up the process of settlement and semisettlement of herdsmen.

4. Find a good solution for the supply problem of food and feed for herdsmen. Since the difference between the income of herdsmen and peasants is growing and the economic strength is weak, a special subsidy policy should be adopted for the supply of good grain and fodder for herdsmen, especially those under the poverty line. At the same time, it is necessary to find a good solution for the planned supply of cement and timber needed by the construction of the pastoral area and to give appropriate price discounts.

5. Conscientiously implement the "Law of Grasslands" to protect grasslands. When urban areas and townships develop animal husbandry, they should not compete with the herdsmen of pastoral area for grasslands. When

they reclaim wasteland to expand farmland and develop grain and cotton production, they should not indiscriminately take over grasslands. I suggest that government organs and departments concerned organize periodic or sporadic reviews of the enforcement situation of the "Law of Grasslands."

***PRC: Problems in Enterprise Bankruptcy Law**

96CM0304A Urumqi XINJIANG RIBAO in Chinese
19 Mar 96 p 5

[Article by Wang Yun (3769 5366): "Need To Make Bankruptcy Law More Detailed, Specific"]

[FBIS Translated Text] Enterprise bankruptcy is an effective way to deal with the losses caused by enterprise mismanagement and pay off debts that have become due. Enterprise bankruptcy not only promotes the survival of the fittest among enterprises and forces them to improve their efficiency, but also provides both creditor and debtor with effective legal protection.

A bankruptcy system based primarily on the "Enterprise Basic Law (Provisional)" and "Civil Procedural Law" has been in existence since the mid-1980's. These laws, however, are long on principle but short on practicality. As a result, there has arisen in the actual implementation of bankruptcy a number of legal issues that are worth exploring.

I. Appraisal of Bankruptcy Assets

Under the terms of the "Enterprise Bankruptcy Law (Provisional)," bankruptcy assets consist of the following: 1) All assets operated by the enterprise when it declares bankruptcy; 2) all assets obtained by the enterprise after it declares bankruptcy and before the conclusion of the bankruptcy proceedings; and 3) other property rights that should be exercised by the enterprise. Since bankruptcy directly determines the amount of compensation the enterprise's creditors will receive, whether or not the assets of the enterprise going bankrupt are fairly appraised is a matter of great concern to the creditor. Yet the law has nothing specific or detailed to say in this area. As part of the bankruptcy procedure, appraising and setting a price on bankruptcy assets is beset with the following problems: 1) The scope of the assets of the enterprise going bankrupt is ill-defined. Bankruptcy assets are interpreted to mean the enterprise's tangible assets only, while its intangible assets are not taken into consideration, so its patents, trademarks, and exclusive technology are all left out of the account. Consequently the enterprise is underappraised. This means that the creditor receives a smaller amount of compensation than it should, on the one hand, and that the enterprise's successor entity inherits the

former's intangible assets gratuitously, on the other; 2) assets appraisal has not been incorporated into the bankruptcy proceedings. The law simply says that the liquidation group should be in charge of assets appraisal, but does not spell out detailed precise procedures. Nor does it establish an appropriate bankruptcy assets appraisal mechanism. With the liquidation group in charge of appraising and setting a price on the assets, there have been many unfair cases not likely to win praise from the creditors.

II. Difficulties in Liquidating Bankruptcy Assets

Although the "Enterprise Bankruptcy Law (Provisional)" spells out the bankruptcy proceedings at length, it fails to make detailed provisions for the job placement of the workers affected and the liquidation of assets, among other things. Nor does it establish systems or mechanisms relating to bankruptcy. Right now the difficulties encountered in liquidating bankruptcy assets are an outstanding problem in the bankruptcy process. These are the main reasons: 1) A property rights exchange market has not yet taken shape. There are no intermediate organizations that buy and sell assets and no exchanges where such trading can take place. 2) Most bankrupt enterprises have obsolete equipment and outdated products. Because the equipment is old, it is hard to find a buyer for it. It is difficult to liquidate an enterprise's physical assets. Repeated lengthy delays in liquidation leave a bankrupt enterprise no choice but to pay off its debts with physical assets. This both increases the burden on the creditor and puts the elements of production in a state of limbo, which does nothing to accelerate the conversion of the various assets into new elements of production and hampers the development of social productive forces, resulting in resources being wasted and objectively infringing on the creditor's interests.

III. Making Arrangements To Place Out-of-Work Employees in Jobs

According to the applicable rules, "after an enterprise goes bankrupt, the state shall make proper arrangements to place enterprise workers in new jobs through a variety of channels." But there are no clear and detailed provisions specifying the channels and describing how to place them in jobs. The worker unemployment insurance, old-age pension, medical insurance, and other related socialist insurance systems are less than perfect. Once an enterprise goes bankrupt, its employees will be out of a job. And since the government is strapped for funds these days, there is little chance it can assume full social security responsibility for the jobless workers anytime soon. Currently making proper arrangements for the placement of the workers of a bankrupt enterprise

is an uphill battle: 1) The old-age pension fund and unemployment insurance fund have a low accumulation level and cannot provide for the needs of unemployed workers; 2) state enterprises nationwide at present have 10 million surplus personnel, between 10 and 20 percent of their total employees. So these enterprises are not in a position to absorb any more workers. Besides, the workers of a bankrupt enterprise who are of a better quality are usually offered jobs by another company before the enterprise goes bankrupt, leaving behind people who are unskilled or unable to adapt to new jobs. The most difficult cases involve workers who are elderly, chronically ill, or handicapped or who have been injured on the job.

IV. Heavy Losses Suffered by Banks

The "Enterprise Bankruptcy Law (Provisional)" stipulates that "after first defraying the costs of bankruptcy, the enterprise shall pay off its debts in the following order: 1) wages owed its employees and unpaid worker insurance premiums; 2) taxes owed the government; and 3) creditor's claims. When a bankrupt enterprise does not have sufficient assets to cover all its liabilities, it shall do so in order. Since a bank's claims come third, after an enterprise has covered bankruptcy costs and paid off the wages, insurance costs, and taxes, not much is left. And since the bulk of the assets of a money-losing enterprise consists of bank credit funds, the No. 1 loser in the bankruptcy procedure is the bank stuck with some uncollectible loans. There are many issues involved here, with these being the most important: 1) The classification of enterprise assets is less than fair. Banks derive most of their credit funds from savings deposits, which are hard liabilities. Yet the "Enterprise Bankruptcy Law (Provisional)" treats the bank like any other ordinary creditor and ranks bank loans third in the pecking order of debt repayment. When all is said and done, the bank is the big loser. 2) The bank is the enterprise's largest creditor, but this status is not recognized in bankruptcy proceedings. The bank is the whole nation's credit center, cash transaction center, and exchange settlement center. The government gives it the right to reflect, monitor, and manage the economy. It is a special kind of enterprise, a special kind of economic organization that deals in currency and credit. It is the source of 80 percent of enterprise funds. According to the "Enterprise Bankruptcy Law (Provisional)," a debtor or a creditor may apply for permission to declare an enterprise bankrupt. The enterprise (debtor) may apply without the bank's permission. The assets liquidation group may also keep the bank out of the appraisal process. What happens is that after an enterprise declares bankruptcy, the assets liquidation group takes over, an appraisal is conducted, and as long as the two

parties are happy, the bankruptcy proceedings can then be brought to a close. As creditor, the bank is the big loser but there is nothing it can do to stop the loss of state credit assets for nothing. This system also enables some enterprises to use bankruptcy as a ploy to wiggle out of their debts. To rid itself of 820,000 yuan in bank loans, for instance, a plant went about planning a new 13 million yuan investment project while quietly seeking a bankruptcy declaration. Deceptively the appraisal report sent to the bank as part of its application for a 10 million yuan loan made no mention of the bankruptcy at all.

The main way to solve the above-mentioned problems is to amplify, amend, and improve the "Enterprise Bankruptcy Law (Provisional)," formulate the related rules of implementation, and enact laws to go hand in hand with the bankruptcy system, such as a "bankruptcy assets appraisal law," "bankruptcy assets auction law," and "mortgage law" to put enterprise bankruptcy on a proper legal footing.

***PRC: On Need To Resolve Laid-Off State Workers' Financial Problems**

96CM0303A Urumqi XINJIANG RIBAO in Chinese
24 Mar 96 p 2

[Article by Chi Chongqing (3069 6850 1987): "Society Should Do More To Help Employees of Ailing State Enterprises"]

[FBIS Translated Text] We recently conducted a survey on ailing state enterprises run by the autonomous region and some prefectures, districts, and cities to examine their operations and the difficulties their employees are experiencing in making ends meet. According to the findings, 52.2 percent of the enterprises surveyed with a total employment of 243,000 people are losing money. Specifically, 5 percent of all local state enterprises in the autonomous region were doing very poorly. They had 67,000 employees in all, or 8 percent of all the employees of local state enterprises. These enterprise workers are faced with a numbers of problems: 1) long delays in the payment of wages; 2) many enterprises have also fallen behind in the payment of medical expenses and coal fees to their workers; 3) many retired personnel are owed retirement pensions; and 4) the employees have a housing problem and cannot afford to send their children to school.

How to help some enterprise employees make ends meet and ensure their basic livelihood has now become a burning issue. We must proceed from the big picture of reform, development, and stability and ensure a basic livelihood for these workers. Toward that end, we make the following proposals:

1. Deepen enterprise reform continuously. Accelerate the adjustment of the economic structure. Push ahead with the transformation of enterprise mechanisms to solve the survival and development problems of ailing enterprises once and for all. Work hard to lay the material foundation for improving the lives of the employees of troubled enterprises.

2. Tap all social resources to create conditions for the reemployment of surplus enterprise personnel and those who have lost their jobs. Introduce a policy with a mix of options—the enterprise offering jobs, the individual finding a job on his own, and society helping to place people in jobs. Set up a reemployment fund as soon as possible to be used exclusively for self-help by the employees of the ailing enterprises, for the reemployment of jobless workers, and for the job placement of redundant enterprise workers. Encourage enterprises to launch self-help work. Offer redundant employees good on-the-job training or training that would help them take up a different job. Encourage social organizations (including trade unions) to set up job referral and retraining organizations. Set up enterprises and institutions that would primarily absorb redundant enterprise workers. Encourage the employees of the ailing enterprises to get organized to find themselves a job.

3. Speed up the reform of the social security system to further improve it. No time should be wasted in creating a social security system that covers pensions, unemployment, health care, workplace injury, and social relief. Accelerate the establishment of a social relief system where enterprises, government, and society are all brought together to widen social relief funding sources.

4. Mobilize all quarters in society to launch share-the-warmth activities. Governments at all levels should set up a wide network of organizations to offer relief to troubled enterprises and their employees. They should strongly push for the creation of a file system on troubled enterprises and their impoverished employees. Establish a help-the-poor responsibility system whereby leading cadres from party committees, governments, and people's congresses at all levels are named to act as liaison with troubled enterprises and their suffering employees. Governments at all levels should do all they can to support the establishment of a help-the-poor fund and coordinate all manner of activities aimed at offering succor to the poor. All quarters in society should be mobilized to do good solid deeds for workers in difficulty.

5. Bring inflation under control firmly and effectively. Limit the rate of price increases to a level that the masses can cope with.

6. Society as a whole should concern itself with easing the plight of ailing enterprises and ensuring a basic livelihood for their employees. Party committees and governments at all levels should have a clear idea

about how to help redundant employees make a living, take more concrete measures, and adopt more practical solutions. At the same time, we hope that all society would concern itself with the work in this area and do more to give aid to the poor and offer them assistance and compassion to tide them over these tough times.

PRC: Commentary on Cross-Strait Cooperation

*OW1707125896 Beijing Central People's Radio
in Mandarin to Taiwan 2200 GMT 15 Jul 96*

[Commentary by station commentator Yi Xin: "Cross-Strait Cooperation for Establishing a Large-Scale Integrated Agricultural Operation in China"; from the "News Square" program]

[FBIS Translated Text] In recent years, cross-strait agricultural exchanges and agricultural investment on the mainland by Taiwan businessmen have been gradually increasing. In particular, agricultural cooperation between Fujian and Hainan on the one hand and Taiwan on the other has been very active. If the two sides could enhance the level of cooperation to give play to their agricultural advantages and great agricultural potential, the prospect of establishing a large-scale, cross-strait agricultural operation to jointly exploit the international market would be very bright.

In 1994, the Taiwan authorities adopted a measure permitting people from the mainland area to come to Taiwan to engage in agriculture-related activities, thus providing a condition for cross-strait agricultural exchanges. Subsequently, relevant cross-strait agricultural symposiums and research societies have increased. Cross-strait agricultural cooperation has played a role in popularizing agricultural technology and promoting transportation and sale of agricultural commodities in provinces along the mainland's coast and in some hinterland provinces.

However, when Li Denghui [Li Teng-hui] visited the United States in June last year, cross-strait relations sank to a low ebb, and agricultural exchanges between the two sides were adversely affected to a degree. In promoting cross-strait agricultural cooperation, both sides should consider the overall interests. Both sides should discard political disputes, reduce competition, increase mutual assistance, and strengthen cooperation. Each side should give play to its own advantages so as to establish a modern large-scale agricultural operation of the Chinese people. Viewing the situation as a whole, Taiwan is not yet a complete agricultural production system. Both sides should make an overall plan to establish various forms of cooperative modes. On the mainland, Taiwan businessmen can establish specialized agricultural zones and comprehensive agricultural development zones to engage in development; production; and processing of agricultural, forestry, animal husbandry, and fishery products. Both sides should also establish an alliance for the prices of export agricultural products to reach unanimity in dealing with foreign countries and to prevent competition by cutting prices. All these are beneficial to the people of both sides.

According to relevant data and statistics, there were more than 1,500 agricultural cooperative projects between Fujian and Taiwan at the beginning of this year, with total investment reaching over \$900 million. In Hainan, Taiwan businessmen invested in 127 agricultural cooperative projects, with total investment exceeding \$200 million. Although cross-strait agricultural cooperation is mostly indirect, nongovernmental, small-scale, and low-level, development momentum is strong.

Fujian is a region where agricultural investment by Taiwan businessmen ranks first in the country and is also one of the most promising regions. Southern Fujian excels in personnel, geography, and human environment. The local authorities have made constant efforts to improve investment conditions by adopting suitable policies to promote cross-strait agricultural cooperation. Taiwan businessmen are now developing seed-improvement, aquaculture, farming, fruit growing, refrigeration, packing, and food processing industries in Fujian. They have established a very good foundation. Fujian-Taiwan cooperation has yielded some significant results.

This year, the State Council decided to make Hainan an experimental base for cross-strait agricultural cooperation, and a large number of Taiwan businessmen have come to invest in agriculture. The investment capital has reached \$100 million. Since the beginning of the year, the number of Taiwan-funded agriculture-related projects has reached more than 140, 23 of which were established in Sanya city, which some people call Hawaii.

In 1991, Taiwan businessman Hung Zhaoming leased 8,000 mu of land. He introduced Taiwan agricultural production technology to grow high-yield, high-quality tropical fruits, flowers, and plants. He invested more than 2 million yuan, but he regained his capital a long time ago. He plans to expand his investment by 40 million yuan to lease another 2,000 mu of land to develop a large-scale agricultural enterprise in Hainan. At present, he is the owner of the largest Taiwan-funded agriculture enterprise in Hainan.

In his 800-mu seedling farm in Yacheng Town in Sanya, Hung Zhaoming grows seedlings by using advanced science and technology. As far as equipment and operational scale are concerned, his farm is the only one of its kind in Hainan. The crops he has introduced from abroad include mangoes, flowers, plants, banana, apples, and betel palms, totalling more than 20 kinds. The mango strains he introduced from the United States and Taiwan, have great economic value and are very popular. Local farmers have flocked to his farm to buy seedlings.

A hog-raising giant in Hainan is Yang Wanxiang from Taiwan. In 1989, he set up an 800-mu hog-raising farm and a 700-mu fruit garden. He introduced lean-meat hog strains from Taiwan and the United States. His hogs grow at a rate of three jin of meat a day, and they can be sold after 100 days. His piglets are in great demand on the local market. This year, he will invest 20 million yuan to set up a feed-processing plant capable of producing 50,000 tonnes of feed a year and to establish another farm capable of raising 1,000 sows. Yang Wanxiang has become rich through raising pigs. He has passed on hog-raising technology to local farmers. There are 261 households living in the Fengtengzhi Village near his pig farm. Each household raises an average of 36 head of pigs. Each household receives an annual income of more than 30,000 yuan from raising pigs. Yang Wanxiang and this village have become famous in hog-raising.

Taiwan entrepreneurs and responsible people of Taiwan's Agriculture Council have led a delegation to visit Yang Wanxiang's hog farm in Hainan. They said that, being restricted by markets, Taiwan's agriculture has reached the saturation point. The prospect for agricultural cooperation between Hainan and Taiwan for mutual benefit is very bright. Lin Baosen, who came from Taiwan's Xinzhu [Hsinchu] County, invested 20 million yuan to set up an agricultural mountain village for sightseeing and resting. He bought 1,500 mu of land on which he has planted various kinds of fruits, melons, flowers, and plants, and dug ponds to breed many kinds of fish. Tourists are allowed to fish in the ponds. What makes him happiest is his 100-mu horse-training and -racing ground. After he imported 20 Russian horses and two camels, he engages in horse training and racing everyday. He married a woman in Hainan and now has a daughter. His horses have also given birth to young ones. His father, who is over 80 years old, has moved from Taiwan to live in Hainan. His brother and sister-in-law have given up a trading business in Taiwan to come to Hainan to help him run his business.

At this crucial moment when it is impossible to go against the tide of economic and trade freedom, Taiwan agricultural administrative departments should proceed from reality and draw up specific measures for promoting cross-strait agricultural exchanges to stimulate cross-strait agricultural development on the basis of mutual assistance and benefit.

It is very difficult for the Taiwan authorities to restrict Taiwan businessmen from investing and making technological transfers in certain industries. As far as economic returns are concerned, agricultural products should be developed where it is appropriate. It is very difficult to go against this economic law. As long as it bene-

fits them, Taiwan businessmen will choose to invest in agriculture on the mainland.

PRC: Air China Delegation Visits

OW1707144596 Hong Kong ZHONGGUO TONGXUN
SHE in Chinese 1339 GMT 16 Jul 96

[FBIS Translated Text] Hong Kong, 16 Jul (ZTS) — News from Taipei [Taipei]: At the invitation of Taiwan's China Airlines, a nine-member delegation of Air China, led by its president Yin Wenlong, arrived in Taiwan on 15 July for a visit. Taiwan's aviation circles considered it preliminary preparations on the part of the air transportation industry across the strait for future "direct flights."

It was revealed that the aviation industry across the strait would conduct concrete consultations over the cross-strait air passenger and cargo transport market and matters related to their cooperation in such fields as transit flight, the use of unified tickets, non-stop baggage transportation, the supply of food and beverages, and ground service.

Regarding the present deadlock in cross-strait ties and the direct flights issue, Yin Wenlong said: Taiwan has failed to make positive efforts to open up the gate of cooperation, whereas the mainland has long been prepared for direct flights across the strait and can vigorously bring it into effect at any time. By the way, direct flight is of real benefit to both sides.

Speaking on the air market, Yin Wenlong said: Every year, several million Taiwanese tourists go to the mainland for travelling, visiting relatives, and sightseeing, whereas only tens of thousands of mainland visitors go to Taiwan. If Taiwan allows mainland compatriots to come here for sightseeing, it is natural that the air market will have bright prospects.

As for the question of which Taiwan airline will fly to various mainland cities if direct flights across the strait are allowed, Yin Wenlong said: The mainland has not designated or selected any particular targets, and any airline is welcomed as long as it passes the examination and is in line with international civil aviation requirements, including the type and quantity of its airliners, aircraft maintenance, ground service, and pilot training.

In addition, to exchange views on cross-strait direct flights with its mainland counterparts, China Airlines has invited the mainland's Southern Airlines and Eastern Airlines to visit Taiwan. It was learned that both sides have reached a considerable degree of consensus on the direct flights issue.

PRC: Hong Kong To Promote Cross-Straits Relations After 1997

OW1707154896 Beijing XINHUA in English
1452 GMT 17 Jul 96

[FBIS Transcribed Text] Beijing, July 17 (XINHUA) — Relations Between Hong Kong and Taiwan regions will have a bearing on relations across the Taiwan Straits after China resumes sovereignty over Hong Kong in 1997, a scholar from Fujian Province says.

At a seminar on relations between the two sides of the Taiwan Strait in Beijing, Li Jianmin, deputy director of the Fujian Provincial Asia-Pacific Studies Institute, said that after 1997, Hong Kong will play a more important role in political contacts between the two sides.

When Hong Kong-based Taiwanese groups and people experience the "one country, two systems" policy first-hand, it will be helpful in helping in getting rid of doubts Taiwan authorities have for developing practical policy toward Hong Kong, Macao and inland areas, he pointed out.

Hong Kong will also give impetus to economic co-operation across the straits and to common prosperity, he noted, and that Hong Kong's return will be helpful for establishing direct postal service, trade, air, and shipping services between the two sides earlier.

Even if the Taiwan authorities stick to indirect air links with inland areas via Hong Kong and Macao, they will have to expand the air link, and eventually have to open direct air service, he noted. And unofficial contacts, and cultural and technical exchanges are also expected to be further developed through Hong Kong.

PRC: Strait Seminar Stresses One China Principle

OW1707155496 Beijing XINHUA in English
1522 GMT 17 Jul 96

[FBIS Transcribed Text] Beijing, July 17 (XINHUA) — Participants in a seminar on relations across the Taiwan Straits say that if the two sides fail to reach a consensus on sticking to the 'One China' principle it will be impossible to break the deadlock in relations.

The scholars said that the "One China" principle is the foundation and prerequisite for the peaceful reunification of China, and that violating this principle will bring tremendous harm to the development of relations across the Taiwan Straits.

Yang Yizhou, who is from a research office of the All-China Federation of Taiwan Compatriots, said that the principle is not only a universal reality recognized by the world community, but is also a basic pattern of the world community.

China's reunification is legitimate only on the basis of one China, he stressed.

Huang Jiashu, a professor at the People's University of China, said that the two sides badly need to establish a relationship of mutual trust, and that the state's most urgent task is to abide by the vital principle, namely the 'One China' principle.

One professor from Taiwan said that if Taiwan's political goal is in the direction of independence or departure from the "One China" principle, it will be more possible for Beijing to use armed force to deal with Taiwan.

Taipei should be clear about not taking the road toward Taiwan independence, he said.

Another professor from Taiwan quoted Premier Li Peng as saying that state sovereignty belongs to the people of the whole country and the whole Chinese sovereignty includes Taiwan, the Penghu Islands, Jinmen, and Mazu and belongs to more than 1.2 billion Chinese people, including the Taiwan compatriots.

Scholars urged the two sides to find a way to settle this issue and take the 'One China' principle as the basis of talks in order to bring relations across the Taiwan Straits to a new period of peaceful reunification.

PRC: Scholars Push For High-Level Talks Across Strait

OW1707155696 Beijing XINHUA in English
1535 GMT 17 Jul 96

[FBIS Transcribed Text] Beijing, July 17 (XINHUA) — Academics at a seminar on relations across the Taiwan Straits said here today that the two sides should remove barriers and have a meeting between leaders of both sides as early as possible.

The scholars agreed that this would have a positive impact on developing relations across the strait.

Huang Jiashu, a professor from People's University of China, said the two sides have different understandings of the 'one China' principle, but that high-level talks would be helpful in closing this gap.

To maintain the stable development of relations across the strait, it is necessary for leaders of the two sides to exchange views, he noted.

The participants also urged the two sides to hold talks to end the state of hostility with common understanding and to lay a foundation for reunification.

Wang Zaixi, from the Institute for International Strategic Studies, said that putting an end to the state of hostility

will help break the political deadlock and make for healthy development of relations.

From a more distant point of view, this move is also helpful for avoiding tensions related to some accidents, and to remove the Taiwan compatriots' worry about the armed forces, he added.

PRC: Nine Port Office Directors Prepare for Taiwan Visit

OW1807020996 Beijing ZHONGGUO XINWEN SHE in English 1442 GMT 17 Jul 96

[FBIS Transcribed Text] Hong Kong, July 17(CNS) — The office directors of nine ports, Dalian, Qingdao, Tianjin, Qinhuangdao, Yantai, Shanghai, Ningbo, Xiamen and Guangzhou, will depart on a nine-day visit to Taiwan on the 23rd.

During their stay in Taiwan, they will visit the ports of Chilung, Taichung, Hualien and Kaohsiung and exchange opinions with Taiwanese officers on the opening up of navigation between China and Taiwan.

On the 16th, the China-Taiwan Shipping Exchange Association in China notified the Taiwanese authorities that a delegation of nine directors, headed by Jin Ruisheng, chairman of the Association and deputy head of China Ocean Shipping Company, would start for Taiwan on the 23rd. Li Jian, the secretary-general of the Association and vice-director of the Taiwan Affairs Office under the Ministry of Communications, would also go to Taiwan with the delegation.

The delegation had originally planned to visit Taiwan at the end of last year, but the visit was delayed because of the tense relations between China and Taiwan at the time. The China-Taiwan Sea Perils Rescue and Telecommunications Navigation Conference will be held at the end of July, close to the time of the port

office director's visit, so the Taiwanese authorities asked the Chinese representatives of the conference to come to Taiwan with the directors.

The China-Taiwan Marine Terms Comparison Symposium was also held in Taipei on the 17th. The representatives from the mainland arrived in Taiwan on the 16th.

PRC: Taiwan Investors Flock to Dalian

OW1807090496 Beijing XINHUA in English 0834 GMT 18 Jul 96

[FBIS Transcribed Text] Dalian, July 18 (XINHUA) — Dalian, a coastal city in northeast China's Liaoning Province, has approved 585 Taiwan-funded firms over the past few years, according to Vice-Mayor Li Yongjin.

Li said that the companies involve 630 million US dollars in total Taiwan investment.

Forty-three Taiwan-funded projects each involve more than five million dollars in investment, he said, adding that another two require investment of at least 100 million dollars.

He said that 53 Taiwan-funded businesses have been set up in Wafangdian, involving 100 million dollars in total Taiwan investment.

The three sq km Paotai Taiwan-Investors Zone was established in October 1995, in a move to encourage Taiwan companies to invest in Dalian. The zone is divided into six sub-zones for processing foodstuff and producing building materials.

Of the 100 richest industrialists in Taiwan, some 20 have come or have sent their representatives to discuss cooperation projects with Dalian officials.

Taiwan: MAC Chairman on Lake's Call for Cross-Strait Talks

OW1807115296 Taipei CHUNG-YANG JIH-PAO
in Chinese 14 Jul 96 p 4

[By reporter Ho I-ching (0149 0001 3237)]

[FBIS Translated Text] Taipei — Chang Ching-yu, chairman of the Executive Yuan Mainland Affairs Council [MAC] noted yesterday (13 July) that the call made by U.S. National Security Adviser [title as published] Anthony Lake that the two sides of the Taiwan Strait should sit down to talk is in conformity with our stand. He did not answer whether he had met with Winston Lord, U.S. assistant secretary of state for East Asian affairs.

Chang Ching-yu returned home at 2000 last evening from the United States by China Airlines. He was greeted at the airport by MAC Vice Chairman Hsu Hui-you.

Chang told the press that he went to Canada to give a speech at an academic symposium of Chinese scholars in North America on cross-strait relations and the Republic of China's mainland policy. Through previous arrangements, he said, he took the opportunity after the symposium to have meetings with relevant personnel in Canada and the United States and discussed with them on issues concerning Hong Kong and cross-strait relations. Owing to mutual understanding, however, he declined to disclose the details of the discussions.

While Chang was not ready to directly answer the question of whether Lord had briefed him on Lake's visit to the Chinese mainland, he said the channels of dialogue between the Republic of China and U.S. executive departments are unimpeded.

He also said that the previous channels for cross-strait consultations should be reopened as quickly as possible, saying that it takes time for making preparations for discussions on political policy issues, such as ending the state of hostility between the two sides, signing a peace accord, the exchange of visits between leaders of the two sides, and so forth. Thus, Lake's call that the two sides should sit down to talk is in conformity with our stand, he said.

Taiwan: Special Operations District for Direct Cross-Strait Links

OW1707122596 (Internet) Taiwan Central News
Agency WWW in English 0957 GMT 17 Jul 96

[By Debbie Kuo]

[FBIS Transcribed Text] Taipei, July 17 (CNA) — Taiwan is planning to set up a special Asia-Pacific

business operations district in one year as an expedient measure to pave the way for direct trade links with Mainland China.

The special business operations district plan, being mapped out by a team led by Industrial Development Bureau Director-General Yin Chi-ming, can be the precursor of setting up direct postal, transportation and business links, or the so-called "three links" across the Taiwan Strait.

Vice President and Premier Lien Chan, after hearing Yin's report on the plan Tuesday, instructed that the special operations district being established "in the nearest possible future."

The special operations district, a "top secret" of the Ministry of Economic Affairs during the last half a year, is a measure of expedience allowing direct "three links" between the district and Mainland China before the National Reunification Guidelines enter the second stage, which allows direct "three links" with mainland China.

The implementation of the special district also allows products of foreign manufacturers in Taiwan to be shipped directly to Mainland China before the long-discussed Asia-Pacific Business Operations Center is materialized.

In the special district, according to the plan, Taiwan and foreign personnel, including those from Mainland China, commodities, capital and foreign exchanges can freely come and go.

The location of the special district is yet to be decided. The number of it can be two or three, depending on the areas' development potential, according to P.K. Chiang, chairman of the Council for Economic Planning and Development, which has been authorized by Premier Lien to promote the implementation of the special district plan.

Taiwan: Official on Mainland China's Overseas Propaganda Campaign

OW1707133196 (Internet) Taiwan Central News
Agency WWW in English 1301 GMT 17 Jul 96

[By Maubo Chang]

[FBIS Transcribed Text] Taipei, July 17 (CNA) — Mainland China is trying to influence the opinion of overseas Chinese by setting up Chinese-language television stations and purchasing Chinese-language newspapers and broadcasting stations in North America. James Chu, head of the Overseas Chinese Affairs Commission, warned on Wednesday.

Chu said in a report to the Kuomintang Central Standing Committee that Mainland China is beefing up its campaign to woo overseas Chinese after a temporary lull following the Tiananmen Square massacre.

Beijing is seeking the support of Chinese leaders while smearing ROC [Republic of China] President Li Teng-hui and intimidating Taiwan with military exercises, Chu said in his first speech delivered at the ruling party's policy-making body since he took office on June 10.

Beijing has targeted North America as the site of its overseas propaganda offensive, and also has tried to sway Paraguay's foreign policy against the Republic of China through the pro-Beijing Chinese community in that country, Chu said.

Facing the changing overseas Chinese community, the shifting economic and political situation in Taiwan, and Beijing's fierce competition for overseas Chinese loyalty, Chu said that his commission will spare no effort to unite overseas Chinese behind the Republic of China through dedicated service.

Taiwan: Beijing Opens New Center To Boost Cross-Strait Cooperation

OW1807104196 (Internet) Taiwan Central News Agency WWW in English 0844 GMT 18 Jul 96

[By Chang Lung and Sofia Wu]

[FBIS Transcribed Text] Beijing, July 18 (CNA) — Beijing formally opened a new center to boost economic and technological exchanges across the Taiwan Strait Thursday.

The new center is under direct jurisdiction of the State Council's Taiwan Affairs Office (TAO), with Liu Zhengtao, director of the TAO's Economic Affairs Bureau, as its chief executive.

The center's inauguration drew much attention from Taiwan, Hong Kong and mainland media as it came at a time when Mainland China was still reluctant to resume cross-strait dialogue which it unilaterally suspended last summer.

Senior mainland leaders, including President Jiang Zemin and Premier Li Peng, issued congratulatory messages on the occasion.

Speaking at the opening ceremony, TAO Deputy Director Chen Yunlin said the center is aimed at providing better counseling services to Taiwan-funded companies on the mainland and promoting cross-strait trade and economic cooperation.

Tang Shubei, vice president of the semi-official Association for Relations Across the Taiwan Strait (ARATS),

said on the same occasion that Taiwan entrepreneurs have launched more than 30,000 ventures on the mainland, with accumulated capital investment of U.S.\$13 billion.

"We hope the new center will contribute to economic development on both sides of the Taiwan Strait and to their rapprochement," Tang added.

The center began experimental operations in January 1995. It has so far received 218 applications from Taiwanese business people for assistance in resolving trade disputes and investment difficulties, as well as for legal counseling and technical assistance, according to mainland statistics.

Taiwan: National Assembly Reiterates Claim Over Tiaoyutai Island

OW1807095096 (Internet) Taiwan Central News Agency WWW in English 0843 GMT 18 Jul 96

[By Debbie Kuo]

[FBIS Transcribed Text] Taipei, July 18 (CNA) — Deputies from the opposition New Party at the National Assembly (NA) Tuesday reiterated the Republic of China's [ROC] territorial claim over the Tiaoyutai Islands.

New Party Assemblyman Liu Ming-lung made an extraordinary motion, requiring the NA, Taiwan's forum for constitutional reforms, to pass a resolution to reiterate Taipei's sovereignty over the Tiaoyutai Islands.

Liu's motion came after Japanese media reported on Wednesday that a Japanese right-wing group built a lighthouse on one of the islands of the Tiaoyutais, known in Japanese as the Senkakus, several days ago.

Both the Sankei SHIMBUN and the MAINICHI SHIMBUN reported that seven members of the Tokyo-based NIHON Seinen-sha (Japan Youth Federation) sailed to the Senkakus and built a five-meter high solar-powered lighthouse on an island to the north.

Taiwan, Japan and Mainland China all claim sovereignty over the eight tiny, uninhabited islands which are located between Okinawa and Taiwan.

A spokesman for the KMT [Kuomintang] NA caucus said that all KMT NA deputies supported the announcement made by the Ministry of Foreign Affairs on Wednesday which reiterated the ROC's territorial claim over the Tiaoyutais. "The ROC's sovereignty over the Tiaoyutais is a historical fact which is beyond any doubt," ministry spokesman Rock Leng was quoted as saying.

Meanwhile, a spokesman for the pro-independence Democratic Progressive Party also claimed that the Tiaoyutais are part of the "Taiwan territory."

Chiu Yi-jen, however, stressed that the issue is so delicate that the best way to handle it is to leave it alone.

Taiwan: Honduras Hoping For Transfer of Industrial Knowledge

OW1707154696 (Internet) Taiwan Central News Agency WWW in English 1459 GMT 17 Jul 96

[By Yen Ling-ju and Benjamin Yeh]

[FBIS Transcribed Text] Taipei, July 17 (CNA) — Visiting Honduran Economic Affairs Minister Fernando Garcia on Wednesday expressed his admiration of Taiwan's fast growing sci-tech development, and said he hopes the Republic of China can transfer the industrial expertise his country badly needs.

Garcia would not say whether he raised any proposal for economic aid when he met with ROC government officials here, but he told CNA that, "With its economic clout, the ROC today would be able to buy almost all of the goods produced by Honduras in the last 100 years."

While expressing a strong desire to court investment from Taiwan, Garcia stressed that new measures must be taken to facilitate cooperative ties between the two countries.

He made the remarks shortly after visiting the International Cooperation Development Fund, which has approved some aid programs to help Honduras develop its economy.

Garcia and his ROC counterpart Wang Chih-kang signed a letter of intent on Wednesday on cooperation in building an industrial park in the Central American country.

Currently, there are seven Taiwan-invested enterprises in Honduras, making the ROC the country's fourth largest foreign investment capital supplying country after the United States, South Korea and Hong Kong. The combined investment value of the seven enterprises stands at about US\$24 million.

Garcia is accompanying Honduran President Carlos Roberto Reina on a five-day visit in Taiwan.

On Tuesday, Reina and Garcia attended an investment seminar in Taipei to brief prospective local investors on Honduras's investment climate, and answered questions raised during the discussions.

Taiwan: Honduran President Sees Possible Solution to UN Dilemma

OW1807113996 (Internet) Taiwan Central News Agency WWW in English 1027 GMT 18 Jul 96

[By Jay Chen]

[FBIS Transcribed Text] Taipei, July 18 (CNA) — President Carlos Roberto Reina of Honduras said Wednesday in the long term, the solution to the Republic of China's problem of getting a seat in the United Nations may lie in the restructuring of the 51-year-old organization.

President Reina told the CNA that he believes some of the structures of the United Nations have to be changed. "This is not the world in which the United Nations was created. This is a completely different world and we have to put down new rules," he said.

The president, who taught international law at the Autonomous University of Honduras apart from having a distinguished political career, thinks that the change in the UN should result in the admittance of new members and creating new categories of semi-permanent Security Council members to include Germany or Italy or Japan.

"A restructuring in general of the UN has to come and new members like the case of (the Republic of) China will be included in the new measures," he added.

In the short term, President Reina said that, at the next UN General Assembly due to begin in September, his government will continue to support the ROC's bid to join the UN.

He also said that, although individual Central American nations have expressed their support, "we have not taken a regional resolution up to now". He promised, however, that he will try between now and September to convince his fellow Central American presidents on the need to bring forth another motion in favor of a UN seat for the ROC.

The promise came after the president pledged in an address to the National Assembly on Tuesday that the ROC would continue to enjoy the support of Honduras in its bid to become a UN member.

Speaking to the CNA on the steps which the ROC could take to further its UN campaign, President Reina floated the idea of ROC officials holding a series of regional meetings to drum up support.

"The concrete steps could be to have regional assemblies with friends (of the ROC), with countries that support this idea and to convince the General Assembly that it is a matter of justice," he said.

During the past three years, Honduras has been a strong ally to the ROC in its effort to enter the UN.

President Reina has been on a five-day state visit to the ROC since Monday.

Taiwan: Ministry Official Comments On Mandela's 'Commitment'

OW1807113496 (Internet) Taiwan Central News Agency WWW in English 1026 GMT 18 Jul 96

[By Sofia Wu]

[FBIS Transcribed Text] Taipei, July 18 (CNA) — The Republic of China (ROC) government welcomes South African President Nelson Mandela's latest reaffirmation of his commitment to Taipei, a foreign ministry official said Thursday.

Mandela said in an interview with the French daily *Le Figaro* on the last day of his four-day visit to France on Wednesday that his country would never sever friendly relations with an ally without justification.

"Mandela's statement indicates that South Africa would not forge ties with Beijing at the expense of its long-standing relationship with the ROC," the official said, adding, "We are delighted with Mandela's reaffirmation of his commitment."

Noting that Mandela is a statesman of great vision and principle, the official said Mandela has never backed away from his commitment to maintaining traditional friendly ties with the ROC since his inauguration as South Africa's first black president in 1994.

"Mandela's statement demonstrates that Taipei-Pretoria ties have remained solid after South African Foreign Minister Alfred Nzo completed a fact-finding visit to Taiwan early this month as part of his country's overall assessment of its relations with both sides of the Taiwan Strait," the official said.

Given Mandela's moral stature, the official said, the ROC has no reason to think that its relations with South Africa would likely change before Mandela's tenure expires in 1999.

Nevertheless, the official said, the ROC should not be complacent and should redouble its efforts to strengthen mutually beneficial cooperative ties with South Africa.

"We'll frequently invite influential South African political figures and social celebrities to visit Taiwan to help them better understand our national cause and our progress in various fields," the official said.

He added that the priority target of invitation will be incumbent South African Vice President Thabo Mbeki, who is widely seen as Mandela's heir apparent. Mbeki is

known to be leaning toward Beijing. He has repeatedly turned down the ROC's invitations on reasons of tight schedule at home.

Johannes Lodewikus Viljoen, South African ambassador to the ROC, met with Timothy Yang, director of the Foreign Ministry's African Affairs Department, on Thursday to discuss ways to boost bilateral cooperation.

South Africa is the biggest of the ROC's 31 diplomatic allies. Beijing has tried hard to forge official links with Pretoria, but insists that Pretoria cut diplomatic ties with the ROC first.

Taiwan: Official Says France's Planned Missile Sale on Track

OW1807112496 Taipei LIEN-HO PAO in Chinese 7 Jul 96 p 4

[FBIS Translated Text] Regarding former French Foreign Minister Raimond's remarks that "it is inconvenient for France to sell Mistral missiles to Taiwan," a Defense Ministry official pointed out: "The Mistral anti-aircraft missile deal is being negotiated piecemeal, because of our request for lower prices, competition from the United States, and pressure from the Chinese Communists." The former French foreign minister's remarks were "diplomatic parlance aimed at placating a certain country."

The French daily *LIBERATION* reported in January that French Prime Minister Juppe had ordered an indefinite suspension of arms sales to Taiwan and Pakistan. It was later proven to be a rumor spread by French people with ulterior motives. The planned sale to us of 550 Mistral portable anti-aircraft missiles for use by infantry troops in field operations and 60 Mirage 2000-5 fighters was not affected.

Nevertheless, the military kept the Mistral deal strictly confidential, and no officials would volunteer more information. The arms purchase in question is evidently fraught with difficulties.

To beef up the ground troops' field anti-aircraft capabilities, the fiscal 1996 defense budget included more than 1.26 billion New Taiwan dollars to buy 550 French-made Mistral missiles and sighting devices under the category of "portable anti-aircraft missiles." The funds have yet to be disbursed pending the signing of the contract. The military explained that the delay is caused by the time-consuming, piecemeal negotiations and by yet-to-be-negotiated technological transfers. In addition, the Army and the Marine Corps have also purchased U.S.-made "Avenger" vehicle-launched Stinger missiles and scorpion-type [xie shi 5791 1709] double-mounted Stinger missiles.

Taiwan: KMT Names New Chief to Head Hsinchu Science Park

OW1707154596 (Internet) Taiwan Central News Agency WWW in English 1424 GMT 17 Jul 96

[By Benjamin Yeh]

[FBIS Transcribed Text] Taipei, July 17 (CNA) — The Kuomintang [KMT] Central Standing Committee, the ruling party's decision-making body, in a regular meeting on Wednesday appointed Wang Kung new head of the administration of the Hsinchu Science-based Industrial Park.

The appointment is expected to be endorsed by the Executive Yuan on Thursday.

Wang is to fill the position left by Hsueh Hsiang-chuan, who has been promoted to deputy chairman of the National Science Council.

Wang, 44, who received his doctorate from Massachusetts Institute of Technology, has served as dean of the Economics Department at National Central University and member of the Fair Trade Commission.

The industrial park, some 80 kilometers south of Taipei, is Taiwan's answer to the United States' Silicon Valley and the window to Taiwan's high-tech achievements.

***Taiwan: Lee Teng-hui's Reform Programs**

96CM0411A Taipei HSIN HSIN WEN [THE JOURNALIST] in Chinese 27 Apr 96
No 476, pp 24-25

[Article by Kuo Hung-chih: "Lee Teng-hui Positively Popularizes Political Carrot' in Order To Change Political Environment"]

[FBIS Translated Excerpts] [passage omitted] Does Lee Teng-hui really want to put the reform programs into practice? Why has he not practiced them for so many years? When Lee's chief of staff Wu Po-hsiung was asked about these questions, he answered: "I sincerely think so. As you are also aware, he was busy warding off blows, and got entangled by people with so many different views about the past, particularly over his early years in office. Now he really thinks that he can go ahead boldly to put up a fight."

Currently, has Lee Teng-hui succeeded in "purging the party" and combing out the nonessential elements so that he can go ahead to put up a fight? Upon hearing the words "purging the party," Wu Po-hsiung thought about it for a while but did not deny it. Then he added: "At least this is a purge without bloodshed." "After the current election, there will be some adjustments to the political environment. At present, the first thing President Lee will consider is for what his voters hope."

Wu Po-hsiung said: Many people may still have these ideas in their minds: "I did a lot for the country 10 years ago, and now the country should care for me." These people probably have a gap with the current political environment.

Regarding those having a gap with the political environment, people will first think of the senior ministers and advisers of state policies in the Presidential Palace. Originally, the Presidential Palace's rules of organization did not restrict the number of senior ministers. After revision, it is now provided that the number of senior ministers shall not exceed 15 people with pay and another 15 people without pay; and according to the new provision, the number of state policy advisers is 30 people with pay and 60 people without pay as amended from the original provision of 31 and 47 people. It has been learnt that quite a few senior ministers and advisers who were dissatisfied with Lee Teng-hui before have changed their attitude suddenly and now wish to retain their positions.

Wu Po-hsiung was unwilling to talk about individual senior ministers who might go or stay, but he stressed that "with the limited number of candidates, the president elected by the people should consider the matter from zero, which means he will only appoint those advisers and senior ministers who are able to make suggestions and assist him in governing the country. A very realistic problem is that the previous quotas have considerably exceeded the present ones. Even though most of the senior ministers and advisers are rewarded for their services, Wu Po-hsiung still thinks that they should not be appointed unless the newly elected president deems it necessary, and people should not keep saying that the appointment of senior ministers should remain unchanged, because the president-elect is still a Kuomintang [KMT] president. He added that Lee Teng-hui is now giving considerations to the necessity of various quarters.

Touching on the "adjustments of the political environment," Wu Po-hsiung repeatedly stressed that "President Lee has his eyes on the stability of the political situation," adding that "it is necessary to expand the KMT's ruling foundation, and although the party has a majority of seats in the Legislative Yuan, yet it is not a very steady majority. Under these circumstances, President Lee must expand the ruling foundation." He admitted that the current election demonstrated that Lee Teng-hui's ruling foundation had surpassed that of the KMT, hence, "he can take advantage of the momentum of being elected by a high approval rating to further solidify the KMT's ruling foundation." Based on this consideration, Lee Teng-hui enthusiastically wishes to let personalities outside the KMT enter the government.

Wu Po-hsiung has called on his fellow countrymen to recommend talent. Besides, has the concept of the Democratic Progressive Party (DPP) "entering the government" become more obvious? "So far, people still cannot see it," Wu Po-hsiung said: "This is a another motivation. The DPP repeatedly expressed its "party-to-party" stand, so no consensus can be reached under such circumstances." As to whether or not the future interaction will bring about a consensus, Wu Po-hsiung shook his head and said: "It seems that the situation is not so sanguine at present."

If no consensus is reached, will Lee Teng-hui take the initiative to ask the DPP to enter the cabinet? To this question, Wu Po-hsiung also emphasized the consideration of "political stability," saying that "it is certainly an easy job to seek assistance from a few individuals, but will this help stabilize the Legislative Yuan?"

Lee Teng-hui's proposition of extensively soliciting public opinion to form the consensus of various sectors will easily be associated with the Conference on National Affairs held a couple of years ago. Wu Po-hsiung said: "The activity will be conducted after the inauguration ceremony, and the mode in which it will be conducted is still under study. Probably it will not be the so-called Conference on National Affairs." He said: "President Lee will solicit their opinion on such issues as how to handle the relations across the Taiwan Strait, how to put into effect pragmatic diplomacy, and how to motivate the major reform programs at home. It will not necessarily be in the form of a meeting in order to pass resolutions by voting. The convocation of the Conference on National Affairs occurred that year because the Legislative Yuan lacked a solid public opinion foundation, but now we need not adopt the form of holding a meeting to vote. What we need is to get to know each other's ideas better and exchange each other's views."

The constitutional reform is perhaps the most difficult in all the reform programs that Lee Teng-hui wants to carry on. "Three-fourth of votes are necessary for amending the constitution," said Wu Po-hsiung, "it will be very difficult without the party-to-party coordination. However, in those places where everyone considers them to be unreasonable, such as the term of office for the legislative members, consensus is possible. Regarding the question of whether or not the president will directly face the Legislative Yuan after the future constitutional reform, Wu Po-hsiung said: "That is not quite possible unless the National Assembly no longer exists."

In the area of policies toward the mainland, there has been a rumor that the National Unification Council will

be merged into the National Security Council. Wu Po-hsiung said: "Someone made this proposal before, but it was not accepted." He also pointed out that some people advocated changing the name of the National Unification Council, but that is not appropriate either. "If the word unification' is deleted, there will be more problems between the two sides across the strait." Meanwhile, he pointed out that it is not necessary to emphasize the "pragmatic sovereignty" now, whereas it is imperative to strive for a reciprocal position first. [passage omitted]

Taiwan: Li Teng-hui Discusses Future Prospects

OW1707134396 Tokyo BUNGEI SHUNJU
in Japanese Aug 96 pp 162-164

["Special" interview with "Republic of China" President Li Teng-hui by Yusuke Fukada: "We Will Be Watching 'Hong Kong' Closely"]

[FBIS Translated Text] [Li] It is quite some time since I saw you last, Mr. Fukada.

[Fukada] You were elected president, gaining a good turnout of 54 percent in March's presidential election. Your delightful inauguration ceremony ended while Beethoven's Ninth Symphony was resounding. Please accept my sincere congratulations. It is six years since I enjoyed the honor of an interview with you in this very room of the presidential office in 1990. I am so glad that you are well.

[Li] It is already six years since that interview.

[Fukada] In the previous interview [May 1990 BUNGEI SHUNJU] you talked about your beloved teacher, Kaoru Shiomi, who taught at the former Taipei Higher School, where you studied during the Japanese rule in prewar days. You said: "Former Taipei Higher School had a number of good teachers, but of all, Professor Shiomi was the greatest in that school. If I remember right, he graduated from Tokyo University. He taught 'Chinese History' at former Taipei Higher School. Under the tutelage of Professor Shiomi, I learned for the first time modern China's ordeals."

[Li] That is right. After the interview was released, Professor Shiomi's daughter came here. Thanks to her visit, I knew what had become of Professor Shiomi. She gave me his picture, too.

[Fukada] I heard that Professor Shiomi's daughter, Michiko Matsumura, had sent you a letter two years before. Then you sent her a letter written with a brush to the effect: "If I have an opportunity to visit Japan, I would like to visit Professor Shiomi's grave, by all means. Please come to Taiwan again." I heard that,

accepting your invitation, the Matsumura family had called at the president's official residence last year.

[Li] Quite so. I wrote in my letter that if I could go to Japan, I would visit Professor Shiomi's grave first of all. If I remember right, she told me that her father's grave is in Nara Prefecture. I would like to visit Professor Shiomi's grave in Nara. This is my ardent wish.

[Fukada] I hear that the song, "Aogeba Totoshi" ["We Owe Deep Gratitude to Our Teachers"], which used to be sung at commencements in Japan, is in Taiwan school textbooks and is still sung as "Graduation Song." You are putting that song into action. I sincerely hope that you will be able to visit Professor Shiomi's grave at the earliest possible date.

The fact is that Mrs. Matsumura's daughter, a granddaughter of Professor Shiomi, got married the other day. By the way, I hear that her spouse's uncle happened to be your classmate at Taipei Higher School.

[Li] Is that so? I am very glad to hear that.

[Fukada] Strange and romantic is the affinity that binds two people in marriage. I received a letter from Mrs. Matsumura telling about what had taken place at a dinner given in the Matsumura family's honor at the presidential residence. You talked in detail about Taiwan's history, economy, and future for more than three hours and the time was gone all too soon. When they were about to take their leave, you said to them, "Let us go to the next room." I hear that in the room there were 5,000 Iwanami Library editions still packed, about which you said, "They just arrived today."

[Li] No, that is not so. There were 1,000 books. (laughter)

[Fukada] Nevertheless, the number is enormous. (laughter) Moreover, you said, pointing at the books, "I will read them first and then give them to an office corresponding to Japan's Education Ministry. And we will make an effort to catch up with Japan as soon as possible." It was a very impressive episode.

[Li] Yes, it was about that time that those books arrived. I had only 500 Iwanami Library editions, so I ordered them to supplement my Iwanami Library.

[Fukada] I think few Japanese have as many as 500 Iwanami Library editions now. (laughter) This book was included among the books you had ordered, was it not? (handing the president an Iwanami Library edition)

[Li] (taking up the book) Oh, this is "A Study of Good." I have a large number of "A Study of Good," which is included in a complete set of Kitaro Nishida's works. I find "A Study of Good" difficult reading no matter how many times I read it. Even today I reread it. (laughter)

Logic of Taiwan's Location

[Fukada] You graduated from the former Taipei High School ahead of schedule and studied agricultural economics at Kyoto University. There you came in touch with the philosophy of Kitaro Nishida, of the Kyoto sect. Before meeting you here today, I reread the book, which I find very difficult.

[Li] Yes, it is. However, one thing I can say is that a great difference between the Nishida philosophy and others lies in Nishida's "logic of place" after all. Man forms self, that is, he differentiates himself from others, and thus he works up his social relationships. For this purpose, a stage [a place] is an absolute necessity. It is impossible to give plays without a stage. It is Professor Nishida who made this clear philosophically.

[Li continues] I talked a lot when I had an interview with the late Mr. Ryotaro Shiba two years ago. I said at the time the "sorrow of being born Taiwanese," which had come from the "logic of place" — the place called Taiwan, a special place. The "logic of place" is not a general theory of the Western type but a special theory. This special theory is connected with the "Taiwan experience."

[Fukada] I knew from the start that the Nishida philosophy underlay your thinking that has promoted "Taiwan experience," the modernization of Taipei Province, the Republic of China [ROC], through agricultural reform.

I am very surprised at your wide knowledge. If I remember right, you studied German as a second foreign language at Taipei Higher School.

[Li] That is right. About the time I attended Kyoto University, lectures on agricultural economics were conducted in German. Books by famous agricultural management scholars, like Brinkman and Erebus, were all written in German. When we were at Kyoto University, we mostly studied such subjects in German.

[Fukada] I hear that you translated Goethe's Faust. Is that the result of your study at that time?

[Li] (laughing) My translation is not "Faust" as a drama but "Faust" as an opera written in French. The opera was composed by Charles F. Gounod and was written in French. It was performed in the Taipei arts festival, music festival....

[Fukada] Is it like a cultural festival?

[Li] Yes, it is. It is called an arts festival here. The opera Faust was staged as the second play of the program and I sang in it, too. The French libretto was translated into Chinese. Literally speaking, the French libretto was

translated into German first, and then I translated it into Chinese so that it could be sung in that language.

[Fukada] You translated it into Chinese so that the words would harmonize with the opera's melody.

[Li] That is right. I did it with my assistant; I did not do it wholly by myself. To the best of my knowledge, Goethe's *Faust* was translated into Chinese by Kuo Mo-juo. I have no time to translate such a voluminous book. (laughter)

There Is No End to Reform

[Fukada] At the last interview, you said, "We should not conduct a drastic reform. Things do not go in a straight line. We must go step by step, keeping our balance."

The last interview took place immediately after the collapse of the Communist block. What you said at the time is very clear now when we look at today's continued chaotic situations in the former Soviet Union and East European countries. Although Japanese politicians say that they will do things "silently," they never carry them out. However, you have been promoting democratization silently. March's direct presidential election is proof that you have accomplished democratization. You have really translated your views into action.

[Li] I had a schedule. When I became president for the first time, I set forth my schedule in my inaugural address. When I make a schedule, I always carry it out.

[Fukada] Are you going to continue your reform?

[Li] This time I have completed a formal democratic reform in a way. However, there are still many things to do. This time, following May's inaugural ceremony, I have replaced many presidential advisers. According to the custom from early times, Taiwan has retained as senior advisers those who have various political relations with the government or those who have rendered distinguished service to the government. This time I have replaced many of those advisers. Despite their past contributions, we must replace them to meet the realities of our society by taking young, new human resources into government service.

This time I have appointed specialists in various fields as junior advisers to the presidential office. Those specialists are from the fields of medicine, public hygiene, judiciary, technology, high-technology, economics, psychology, social services, and others. I have replaced about half of the advisers, 50-60 people, with those from various fields as well as those who exerted efforts for my presidential campaign.

Recently, I gave three dinner parties for these advisers and had various discussions. I asked them to present

various problems that Taiwan now faces, and I and Vice President Lien Chan, who also serves as president of the Executive Yuan [prime minister], answered their questions.

I talked about the two important courses that I have to follow as president. In short, whether they are senior or junior advisers, I requested them to give their advice on the two presidential office's important courses.

One of the two important courses is political reform. However, it usually ends in reform in a system like elections. That is only a perfunctory reform.

[Fukada] That will touch Japanese politicians on a raw spot.

[Li] Perfunctory democratization or democratization of systems only are not enough. We must reform our souls, that is, we must change our society's sense of value. Only by changing that can we achieve a substantial democratic reform. The most important thing is to understand democratic ideas. Political reform without humanism is nonsense. If those who do not have democratic ideas go into democratic government, they will be at a loss as to what to do. Since there is such a problem, the present society has been established as a matter of system and form. However, in my view, to really democratize our society, there must be people with a sense of democracy.

[Fukada] You mean that there must not be a thing like, "plowing the field and forgetting the seed."

[Li] That is right. We must put a soul into the new system. For this reason, I have shown my political guidelines to newly chosen advisers — in short, substantial political reform, judicial reform, educational reform, administrative reform, and cultural reform. This is my fundamental policy. For the first six-year term as president, I reformed the political system, bringing my work to completion in a way. My next task is to reform souls, like educational, cultural, and administrative reforms.

[Fukada] Unlike the changing of systems, the building of democratic ideas and culture is a difficult task. For example, continental Chinese thought still remains. ROC school maps used today cover Mongolia as well as China as its territory.

[Li] We must rectify that kind of education and promote education that puts more emphasis on Taiwan. Education is very important. It is education that reviews Chinese thought and fosters democratic ideas.

[Fukada] Although you were educated in Taiwan while it was under Japan's colonial rule, Mr. Ryotaro Shiba expressed great admiration for you. He said, "Mr. Li

Teng-hui nearly personifies the ideal Japanese." He also said, "Mr. Li is the head of state who is the most indifferent to riches and honor in the world."

[Li] That means that those of us who were born and brought up in Taiwan were educated in a test tube.

[Fukada] You are a product of a pure culture.

[Li] Yes, a pure culture. Although we received Japanese education, we did not know about the realities of Japanese society, nor about Japanese ways of thinking. We were given Japanese ethical code and thought in a pure form and we accepted them frankly. As I said to Mr. Shiba, as a suzerain, Japan had wanted to show its good points to its colony. (laughter)

[Fukada] Afterwards, you went to mainland Japan, studied at Kyoto University, and were recruited as a student soldier. Did you not feel a gap between the ideal and the actual world?

[Li] No, I never felt betrayed.

[Fukada] Japan's prewar moral code was "self-annihilation for the sake of one's country," although we frown when we say it now.

[Li] However, referring to "public" spirit, Sun Wen said, "the world belongs to everyone." Here in Taiwan, we say, "selflessness." In short, this means that public affairs transcend private affairs. In fact, this idea was born in the Spring and Autumn Period [B.C. 770-476] as well as in the Warring States Period [B.C. 475-221] in ancient Chinese history.

[Fukada] In the period called "let a hundred schools of thought contend."

[Li] During the Spring and Autumn Period as well as the Warring States Period, humanistic ideas were expressed by Confucius and others. And Sun Wen explicitly expressed his ideas as a modern man.

[Fukada] Speaking of Mr. Shiba, he and I went on a two-week European tour together, and he showed me many kindnesses. When you had an interview with Mr. Shiba, you said, "The sorrow of being born Taiwanese" and "the Kuomintang [KMT] Party also is a foreign administration." These comments of yours seem to have created a great sensation.

[Li] (laughing) My comments posed a serious problem and I was severely criticized. However, I think it was all right, because what I said is a historical fact. I realized that it is freedom of speech that made it possible for people to criticize me.

Confrontation With a Monster

[Fukada] Compared with the past, the freedom of speech that Taiwan enjoys now is inconceivable.

[Li] When I had an interview with Mr. Shiba, I overpraised Japan's good aspects in this way, for which I became an object of censure in Taiwan. However, people 60 years and older in Taiwan all share my feelings. (laughter) Therefore, old people think that what Li Teng-hui says is absolutely trustworthy and right.

[Fukada] You have completed reform of the systems for the time being. Now you are going to put "a soul" representing "public spirit" into the systems. This is your first new course. What is the second course?

[Li] The second item of substantial democratization is political stability. There must be political stability to promote reform. However, parliament is very unstable now. We must do various things to cope with this.

[Fukada] Concerning the fourth nuclear power plant problem as well as the Executive Yuan's personnel matters, some of your KMT members have gone over to opposition parties. It seems that parliament continues to be in a state of confusion. You even called the resistive parliament a "monster."

[Li] One method to deal with this situation would be a constitutional amendment. A direct presidential election was realized as a system, so the central structure must be made suitable for the reality. The parliament has been rampant these days. Such a situation must be rectified so that its affairs can be conducted smoothly. For Taiwan's constitutional amendment, three fourths of the National Assembly must approve it, but the KMT has only 55 percent now. Therefore, a constitutional amendment cannot be effected by one party alone; but next year, opposition parties will probably agree to the amendment.

[Fukada] How are you going to amend the Constitution?

[Li] The problem is the parliament's authority. The Executive Yuan president is nominated by the president, so he does not reflect the will of the people. The Executive Yuan, which is not backed by the will of the people, will be put in an unfavorable position when it is confronted with the parliament. That does not constitute the respective independence of the legislature, the executive, and the judiciary. We must clarify the president's position in such a case.

[Fukada] You have gained legitimacy through the recent election. You have become a man of great power in Taiwan by becoming the head of state chosen by election. Come to think of it, you are a president chosen

by a direct election. Commensurate with the presidential system, you are going to strengthen your power to the same degree as that of the U.S. President and promote reform in the future.

In short, there are two countries you have closely associated with in your life — the United States and Japan. You are going to introduce the "presidential system" from the United States and "public spirit" from Japan. This is your second new course to be followed.

[Li] That is right.

The PRC Faces Imminent Crises

[Fukada] The recent presidential election has a great significance both domestically and internationally. Since you have become the head of state with legitimacy internationally, each country's attitude will naturally change. Actually there is already a sign of change in the United States. The PRC conducted missile exercises in the sea near Taiwan to interfere with the presidential election. Under such a strained situation, the United States dispatched a task force including the aircraft carriers Nimitz and Independence to back up the election. The United States took such an action because it recognized that the election was a democratic election seeking legitimacy. Later, a democratic election was actually held and you have assumed the position of president with legitimacy. Therefore, I think Japan should change its attitude.

[Li] I was very glad to find through this election that the great majority of 21 million people, regardless of their racial groups, or regardless of their timing of arrival in Taiwan, identified with Taiwan, had an idea of their being a "life community," and expressed their determination to make an effort for the construction of their country, discarding ready-made ideas.

[Fukada] However, if we consider the future situation in the Taiwan Strait, I do not think both Taiwan and Japan can live in peace. In the PRC's Liberation Army there are hardliners, like Xiong Guankai, deputy chief of the general staff, who stick to the "exercise of military power." Meanwhile, Taiwan continues to strengthen its military power by introducing F-16's or Mirage-2000's.

[Li] Yes, Taiwan will become very powerful by 2000.

[Fukada] The PRC will fret if Taiwan continues to increase its military power. If so, people may turn up who insist on invading Taiwan before it is too late. It is difficult to say that Jiang Zemin is exercising absolute control over the military. What do you think?

[Li] It seems that behind the PRC's military action lies internal struggles for leadership. In short, the PRC may be placed in a situation where a man who takes charge

of the Taiwan problem and solves it with success will be a future leader on the continent. It is said that the PRC's internal struggles mostly center on the Taiwan problem. Therefore, the reason the military took a very firm attitude may have been to show that it is equal to the task if the solution of the Taiwan problem was a decisive factor in the internal struggles.

The election was held in March; on 20 May, I took office and made a speech. As the PRC seems to have had an interest in my inaugural address, I was waiting for something to happen. However, there was no reaction, which was baffling. The meaning of this silence is that it is useless to do such a thing. The PRC may have noticed that threats through military exercises are not effective and that such exercises will put it in a much more disadvantageous position from an international point of view.

[Fukada] Ku Lien-sung, chairman of the Chinese National Association of Industry and Commerce, Taiwan's counterpart to Japan's Federation of Economic Organization, said the other day that the tension in the Taiwan Strait had changed the Taiwan problem from a domestic problem to an international one, and that the Taiwan-PRC relationship is an international problem. You know, this is an age when any domestic problem can immediately become an international problem once military power is exercised.

[Li] That is right. The PRC persists that the Taiwan problem is its domestic, political problem, but it will be difficult for the country to treat the matter simply as such. It is clearly known how many countries opposed the recent military exercises.

Therefore, the PRC-Taiwan relationship will enter into a stable condition for the time being. Another thing that I have heard is that the PRC-Taiwan relationship has to do with the problem of Hong Kong's reversion to the PRC. Increasingly, PRC insiders have come to think that they should concentrate their attention on the Hong Kong problem for some time, leaving aside the Taiwan problem.

[Fukada] There is only one year left before the reversion of Hong Kong.

[Li] After Hong Kong comes Macao in 1999. There is a view that under these circumstances, the PRC will not be able to take military action in the Taiwan Strait for some time. Therefore, my outlook is that there will be a stable period for some time. However, I have no idea what the PRC will do after the problems of Hong Kong and Macao are settled.

[Fukada] That means that Taiwan will have enough time to strengthen its military defenses.

[Li] Well, that is right.

[Fukada] However, the PRC has many other big problems besides the Taiwan problem — food, oil, environmental pollution, and social unrest due to an unusual increase in the number of single men. Thanks to the PRC's single-child policy, there is a growing tendency for boy babies, who are the future labor force, to be brought up, but girl babies are killed. For this reason, the number of men has increased. It is said that, in the next century, more than 70 million men will be unable to get married and will become delinquents, bringing social unrest.

The food problem is especially serious. You are a specialist in agriculture, so I would like to hear your opinion. If the PRC's population increases at the present rate, it will reach 1.6 billion people in 2030. At the same time, their diet will improve. Everyone will eat chicken, pork, and beef thanks to the improvement in diet. Then the PRC has to import a large quantity of feed grains to breed cattle and hogs. In Japan's case, the amount of imports of cereals amounts to 72 percent of the consumption amount. If the PRC tries to import 72 percent of its consumption amount like Japan, it will be inadequate to meet the demand even if the whole production of the world is exported to the PRC. Lester Brown of the United States warns us of the food problem in his book, "Who Will Support the PRC?" [published by Diamond C.o.]. What do you think about such a problem?

[Li] Before the PRC tries to become an industrial nation, it must build up a firm foundation in agriculture, like Taiwan. The PRC has started industrialization that is beyond its capacity, although it cannot afford to feed its people satisfactorily. Even if the country earns money through industrialization, it must use the money to buy food, which makes the situation very difficult. I think they should allocate a little more money for the improvement of agriculture.

Water is a basic resource for agricultural development. Viewed in the light of Taiwan's high level of agriculture, the problem is productivity of land, not of the labor force. The PRC has an abundant labor force, but its land is limited. In my view, the most proper strategy is to utilize land to the maximum degree, raise land productivity, and increase the food supply. Water is useful in this case. Unless there is water, it is impossible, for example, to use a plot of land many times in a year. Multiple cropping, like double- or triple-cropping, is impossible. Water is the most important resource to raise three or four crops a year on the same land. Therefore, irrigation is the most important.

In Taiwan's case, great irrigation facilities called the Chianan and Taoyuan Canals were constructed during Japan's colonial rule. Through the use of these two irrigation facilities, water supply and drainage ditches 16,000 kilometers long, six times as long as the Great Wall of China, were constructed and 490,200 acres of land had been irrigated. The construction of irrigation facilities had increased the water supply and further promoted the effective use of land as well as multiple cropping.

[Fukada] In the Taisho era, an engineer named Yoichi Hatta, who graduated from Tokyo University and worked for the Engineering Works Department, governor general of Formosa, supervised the construction of dams and constructed waterways all over the Chianan Plain.

It is said that people of Chianan found Hatta's bronze statue, which was lost after World War II, and rebuilt it. After the war, Mrs. Hatta threw herself into the dam built by her husband and followed her husband who was killed in battle. And people of Chianan built a tomb for Mr. Hatta and his wife behind Hatta's bronze statue.

[Li] Though young, Mr. Hatta did a big job. Taiwan's agricultural success owes to such efficient use of land. The success brought us power, and surplus power in addition, which made it possible for us to concentrate our energies on industry. Therefore, water is very important.

It Is Too Early To Talk About Unification

[Fukada] If you took charge of Mainland China's agricultural problem, what would you do?

[Li] First of all, it is necessary to have a complete grasp of today's water supply. After that, new crops would be introduced. After all, we must make farmers work, and for this purpose we must give them an incentive by showing them the in-flow of income.

[Fukada] The farmers would be made to grow cash crops.

[Li] That is right. Mainland China is behind others in agricultural marketing, in particular. Distributive machinery for agricultural products is almost nonexistent. For example, what should we do to give enough pork to 12 million people in Shanghai? Mainland China has no system for that. For this purpose, the hog raising industry must be established on a huge scale. Livestock feed companies must also be established. It is necessary to establish an agency to study hog breeding. And hogs bred there are delivered to farmers — at the rate of 100 per farmer. Livestock feed is also given to farmers,

and when hogs grow big, money is given to the farmers in exchange for the hogs. Then the hogs are taken to Shanghai for sale. Thus the farmers can live a stable life both economically and spiritually. The Chinese Communists do not understand such a thing at all.

[Fukada] They do not have an idea about agriculture as an industry. Mainland China is as large as the United States in area, but its cultivated acreage is only half as large as that of the United States. There are many mountains and deserts, and arable land is found only in the basins of the Yellow River and the Chang Jiang as well as on the coastal area. Therefore, the agricultural problem will not be solved unless it is tackled with the utmost effort. Besides the food and oil problems, PRC society is very unstable and has the highest crime rate in the world. The PRC has 20,000 murders a year, which is 20 times as many as those in Japan and 10 times as many as the United States. Moreover, the PRC faces the problem of a great increase in the number of single men. Despite such domestic problems, and big problems at that, the PRC is particular about the Taiwan problem, which baffles me.

[Li] The Chinese Communists face no threat from foreign countries now. In former times, they used to talk about threats from the Soviet Union. Now they talk about threats from Japan or the United States. However, what they say is not true. They say so because they have to give a sense of crisis to the people.

[Fukada] They alarm the people by shouting, "Be careful, a tiger is coming."

[Li] They are drawing the people's attention to the outside so that domestic affairs will not attract their attention. If they have money to make rockets or atomic bombs, or to conduct nuclear experiments, they should spend more for the people's welfare or agricultural policy.

[Fukada] The PRC was bordered on the north by the Soviet Union and had a number of border disputes; therefore, the Soviet Union presented a threat for real. However, the United States, which exists beyond the sea, presents no sense of real threat to the PRC. First of all, mainlanders' dream is to go to the United States, is it not? As Japan presents no sense for a real threat, the PRC brings forward only historical problems and tries to make Japan its potential enemy.

[Li] In fact, their remarks about threats from Japan or the United States are not persuasive. What they did serves no purpose.

[Fukada] After all, it may be impossible to govern such a big, populous country with one system. As Mr. Shiba

says, "So many countries, so many sizes." However, the PRC is calling for further expansion through unification.

[Li] They talk about China's unification, but no one says in what form unification should be effected. No one asks, "What is unification?" It is too early to say such a thing. The Chinese Communists advocate one country and two systems, which, they say, is a federation system. That is a strange way of saying it. That will not do. When they say one country and two systems, they clearly intend to preserve "one country," "the PRC." And, although they say two systems, the ultimate system is communist dictatorship. In short, the ultimate form of settlement will be: Taiwan will become a subject state of the People's Empire of China.

[Fukada] The present age, which is far from the 19th century's imperialistic age, is an age when countries are moving to an "economic sphere" from a racial, nationalistic idea. European and ASEAN countries are trying to get together. Viewed from this trend, the PRC is behind in its ideas. The PRC's idea is tantamount to Australia suddenly proposing to New Zealand, "We are Anglo-Saxons and speak the same language, so let us unite."

You say you are ready to meet with Jiang Zemin. If a summit is realized, what are you going to talk about?

[Li] If I can meet with him, I will talk about fundamental conditions. Among the problems between Taiwan and the PRC, one that remains to the last will be: If the mainlander says, "China is one. I hold the reins of government," Taiwan will surly retort, "No, that is not true. The ROC has existed for 80 years." No amount of negotiations can solve this problem. It will be very difficult to compromise with the mainlander. The solution to this problem will solely depend on Communist China.

It is still impossible for a capitalist country to unite with a communist country like the PRC. If we watch the present and future conditions of Hong Kong, we will be know the PRC's moves. It is not a system but people who manage a capitalist or socialist society. However, the people themselves do not observe the system. Although the Chinese Communists have made the Hong Kong Special Administrative Region Basic Law, I do not think they observe it very carefully. Lu Ping, director of the Hong Kong and Macao Affairs Office, gave a lecture at Japan's Press Club in early June, in which he said, "We will absolutely guarantee the freedom of speech." His remark may sound persuasive to others. In my view, however, he is just going about allaying the world's suspicions of the PRC caused by its military exercises. The PRC never does what it says; what the country says is only superficial. We never

know if the country will do what it says until the last moment.

What Will Become of Hong Kong?

[Fukada] When I visited Hong Kong recently, I found it very pessimistic about its future. Hong Kong people say that when the Chinese Communists come to Hong Kong, they will destroy all existing systems and ignore the rules, and that Hong Kong will cease to be a law-abiding country. Some even say that Hong Kong may become a PRC military base. It is said that the PRC's troops coming to Hong Kong will be mainly comprised of northern troops that do not understand Cantonese.

[Li] We see a political motive in that. When the 4 June Incident [the Tiananmen Incident] occurred, the PRC at first sent troops stationed near Beijing, but the troops would not obey the order because they could understand what the people said. Therefore, the PRC sent troops from distant parts of the country that could not understand the language spoken by people of Beijing, and these troops played the devil with the people. In the same way, if the PRC sends to Hong Kong troops that are different from Hong Kong's people in language and thought, it will be helpful for the country to oppress the people when occasion demands.

[Fukada] I think so, too. However, if the PRC takes strong measures against Hong Kong, the effect on neighboring countries will be infinite. Taiwan also will strengthen its vigilance against the PRC. What do you think Taiwan's role is after the return of Hong Kong?

[Li] I think I will make special districts in the central part of Taiwan and Kaohsiung, and make a new port zone, with these districts as channels. Relations with Mainland China will be maintained through Hong Kong, but as I have said earlier, there is no knowing what will become of Hong Kong. I think we must make Taiwan itself a special district.

[Fukada] The transit area idea is interesting. Before Japan closed its door to foreign countries, The Netherlands had sold China's silk to Japan, with the southern part of Taiwan as a transit area. Silk was used to make war supplies, such as scarlet-threaded and black-threaded armor. Now, as democratic countries with the same legitimacy, Taiwan and Japan should further strengthen their ties in the future.

[Li] That is right. Taiwan wants to know Japan as it is today, without mentioning its past problems in relation to Japan. Taiwan wants to make friends with today's Japan and to conduct mutual exchanges.

[Fukada] It is said that Taiwan's tourists to Japan number 800,000-1 million. The most popular spot is Okinawa-Kyushu, which has really been Asianized.

[Li] Now, for example, as many as 1,300 Taiwan ships a year go to Mainland China, like Shanghai, through Ishigaki Island or Naha, although it costs \$5,000 to stop at Okinawa and get a certificate. It seems that Okinawa is trying to avoid its increasing dependence on mainland Japan. It is possible that Taiwan and Okinawa will be tied together in some form or another in the future. It is worthwhile to study, because it takes only 20 minutes to go to Yonaguni Island, which is much nearer to us than Kaohsiung.

[Fukada] Whenever I visit Taiwan, I find that the people's understanding of Japanese has lessened steadily. I think it very regrettable, but I have heard that now it is possible to choose Japanese in elementary and junior high school.

[Li] Recently young men, have become very eager to study Japanese again, although it may become a very supplementary study.

[Fukada] This dialogue is being carried on in Japanese, which shows that your generation has perfect command of Japanese. And today's young men in Taiwan have an interest in Japanese. Although the in-between generation is left out, a new generation is being raised. This is a wonderful thing for Japan.

[Li] That is right. However, in fact, my son, who belongs to the in-between generation, can speak Japanese. I did not teach him Japanese, in particular, but he listens to it at home; for my wife and I sometimes speak Japanese. For this reason, my son is good at it.

[Fukada] Well, the Kyoto University graduates' association greets its 100th anniversary next year. What do you think about attending?

[Li] I think it will be very difficult. However, I think I am free from any restraint as long as I attend the anniversary as a private individual.

[Fukada] Judging from the story I have heard from you so far, next year will be your chance to visit Japan. The PRC will have the Hong Kong problem on the brain and will have no time to meddle in Taiwan. Therefore, the thing to do is to take advantage of the country's unguarded moment. (laughter) Even if it is difficult for Kyoto University's graduates' association to invite you, it will be good if the Agricultural Economics Depart-

ment's graduates' association, "rakuyukai," or the association of graduates who entered the Agricultural Economics Department in 1943, "daimonjikai," announces itself as an organization to invite you to Kyoto. It is said that the "daimonjikai" held its 1991 meeting in Taipei to invite you, and that your wife and you attended the meeting with 26 graduates from Japan. I want the "daimonjikai" to display its last spirit as the war generation.

[Li] I will be very glad if I can go to Kyoto.

[Fukada] Thank you very much for sparing me your precious time today.

Hong Kong

Hong Kong: PC May Refer Bill of Rights Ordinance to Future Legislature

HK1807012996 Hong Kong HONGKONG STANDARD in English 17 Jul 96 p 4

[By Baby Sung in Beijing]

[PTS Transcribed Text for FBIS] The Preparatory Committee (PC) is considering referring the controversial Bill of Rights Ordinance to the future legislature.

Preparatory Committee legal panel member Tam Yiu-chung told the Hong Kong Standard that he would propose in future panel meetings that the six ordinances amended in line with the Bill of Rights Ordinance be dealt with by the provisional legislature or the first SAR [Special Administrative Region] legislature.

The defunct Preliminary Working Committee had proposed repealing sections of the Bill of Rights Ordinance to ensure it did not override other laws, including the Basic Law.

It also recommended abolishing all the Hong Kong laws amended to accord with the Bill of Rights Ordinance or restoring them to their original versions before the ordinance was enacted.

Six ordinances on societies, television, telecommunications, the broadcasting authority, public order and emergency regulations would be affected.

But the view has been expressed in the legal panel that referring the decision on the Bill of Rights would help avoid public wrath.

The Preliminary Working Committee proposals were severely criticised as an attack on human rights.

Preparatory Committee member barrister Kenneth Chow Charn-ki said he would prefer as many laws as possible to remain unchanged at the moment and the questionable ordinances could be left to the future legislature to deal with.

Meanwhile, a Hong Kong government source says the Legal Department has prepared amendments to the six ordinances that are expected to be submitted to the Preparatory Committee's legal panel for discussion. The aim was to change China's position and avoid the repealing of the six ordinances.

Hong Kong: No Final Decision by PC on Repeal of Ordinances

HK1807051496 Hong Kong HONGKONG STANDARD in English 18 Jul 96 p 4

[By Baby Sung in Beijing]

[PTS Transcribed Text for FBIS] A recommendation to repeal 26 ordinances considered to have contravened the Basic Law might not be fully adopted by the Preparatory Committee (PC).

Bar Association chairwoman Gladys Li said this yesterday after an association team completed a three-day official visit to Beijing.

The delegation held a two-hour meeting with mainland experts on the PC legal panel to discuss the laws in question.

The now defunct Preliminary Working Committee had proposed that 26 ordinances be abolished because of conflict with the Basic Law.

Miss Li said the PC mainland members had told the delegation that they had not yet reached a final decision on the ordinances but promised they would look into the laws carefully.

Miss Li said there were significant disagreements between the two sides over the laws. Citing the Electoral Provisions Ordinance as an example, she said they wanted the mainland experts to give a detailed explanation on which parts of the ordinance conflicted with the Basic Law.

But the legal panel said the electoral ordinance was amended in line with Governor Chris Patten's political reforms, which had violated the Basic Law.

The two sides also failed to reach a compromise on the Bill of Rights Ordinance and the six ordinances amended in line with the ordinance.

"We hope (the experts) can look at this question based on a legal point of view," Bar Association member Johannes Chan Man-mun said.

"We suggest that those laws should not be repealed only because they have been amended in line with the Bill of Rights. They were amended also because of social changes. We think they should consider it."

The argument was not accepted by the mainland legal experts on the PC although they said they welcomed more opinions from the legal profession.

Hong Kong: Sino-UK Committee To Meet on Infrastructure in Guangzhou

OW1707144796 Beijing ZHONGGUO XINWEN SHE in Chinese 0934 GMT 16 Jul 96

[FBIS Translated Text] Beijing, 16 Jul (ZXS) — This reporter learned from authorities concerned that China and Britain have agreed that the Sino-British Coordination Committee for Large-Scale Infrastructure Projects Across the Border of Hong Kong and the Mainland will hold its fifth meeting in Guangzhou on 18 July.

The Chinese team will be led by Zhang Liangdong, director of the State Council Hong Kong and Macao Affairs Office's Hong Kong Economic Department; whereas the British team will be led by Leung Pong-wing, the British Hong Kong Government's secretary for planning, environment, and land. At the meeting, both sides will listen to expert panels' reports and discuss work arrangements for the next step.

Hong Kong: Government Plan for Helping Future Chief Executive

HK1807054696 Hong Kong SOUTH CHINA MORNING POST in English 18 Jul 96 p 1

[By Chris Yeung]

[PTS Transcribed Text for FBIS] The Government has outline plans for helping the future chief executive establish Hong Kong's post-handover government. Acting Chief Secretary Donald Tsang Yam-kuen has revealed.

But he warned of trouble if the territory was left with no chief secretary in the months leading up to the handover because Anson Chan Fang On-sang was needed to help the future head.

In an exclusive interview with the South China Morning Post, Mr Tsang said: "We have drawn up different options to help the chief executive and the new government. But we have to see what options the Chinese side has in mind and what the role of Anson Chan is going to be.

"The months starting from, say, March next year will be extremely important. There will be problems if someone who is not so strong takes the post of chief secretary."

A government source said Hong Kong and Macao Affairs Office director Lu Ping had told Mrs Chan recently there was no urgency to discuss co-operation. It could wait until after the chief executive was appointed.

The source said there would definitely be an office for the chief executive, but that it was impossible for all policy secretaries to be seconded to his team.

Recent reports claimed Mrs Chan and a small team would quit the Government to serve the chief executive.

The Governor has said the reports have "no basis", but Mr Tsang said he was referring to claims that Mrs Chan had told Prime Minister John Major about the plan when in London this month.

Mr Tsang did not specifically deny the arrangement.

Mr Patten said yesterday there was no point talking about co-operation until the chief executive was named.

"We want to give maximum possible co-operation to the chief executive while ensuring the administration of Hong Kong is as effective as possible," he said.

Hong Kong: XINHUA Official on Maintaining Hong Kong's Free Port Status

OW1807120396 Beijing China Radio International in Mandarin to Hong Kong, Macao, the Zhu Jiang Delta, and Southeast Asia 0900 GMT 17 Jul 96

[From the "Report on Current Events" program]

[FBIS Translated Text] Listeners and friends, a senior Chinese official in Hong Kong said recently that Hong Kong's shipping industry, as a foundation for the formation and development of a trade center, has now become a basis for making Hong Kong a financial center and an important pillar for Hong Kong's overall economic prosperity. He stressed broad future development prospects for Hong Kong's shipping industry, and that China will continue to preserve Hong Kong's international shipping status after its reversion to Chinese rule on 1 July 1997.

The following is a report by Zhang Huiling, our station reporter in Hong Kong.

Ulanmulun, deputy director of XINHUA Hong Kong branch, indicated recently that 1 July 1997 will not only be an important historic moment for Hong Kong's social development, but a new opportunity for developing Hong Kong's economy and shipping industry. Hong Kong is the world's largest base of ship ownership and a top container service port. The emergence of its shipping industry amid severe international competition is made possible by its dependence on interior China, where reform and opening up are under way. Ulanmulun emphasized: Development of Hong Kong's shipping industry after 1997 will enjoy fundamental protection, primarily under Hong Kong's Basic Law. Hong Kong will continue to retain its capitalist operational mechanism after 1997 — an institutional guarantee in maintaining Hong Kong's current international shipping status. Besides, Hong Kong will, under Basic Law, keep its free

trade system after 1997, with free flow and competition of various capitals, goods, and personnel. These are the basic conditions for keeping Hong Kong's status as an international shipping center. Moreover, Hong Kong will maintain its current shipping operation and management setup. With the central government's authorization, Hong Kong will continue to register ships, with issuance of relevant documents in the name of Chinese Hong Kong. Other than foreign-operated vessels, all ships may move freely into and out of Hong Kong port. Hong Kong's privately owned shipping companies, shipping-related enterprises, and privately owned container wharf may continue to operate freely.

This official also said that relevant Chinese departments have repeatedly indicated through various channels that after 1997 Hong Kong will have its own shipping sys-

tem and policy different from that of interior China. Transportation between the two territories will remain as foreign trade shipment, with vessels plying the two territories being regarded as foreign trade ships. The government of the Hong Kong Special Administrative Region may formulate its own shipping system and policy under Hong Kong Basic Law. Ulanmulan believed that the international status of Hong Kong's shipping industry will be further enhanced after 1997, like fish in water. It will be particularly so at a time when China is implementing its Ninth Five-Year Plan for national economic and social development and in the process of realizing its 2010 long-range development goals. The superiority and role of Hong Kong as an international shipping center will be fully demonstrated.

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